

In the Senate of the United States,

August 1, 2002.

Resolved, That the bill from the House of Representatives (H.R. 5010) entitled “An Act making appropriations for the Department of Defense for the fiscal year ending September 30, 2003, and for other purposes.”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 *That the following sums are appropriated, out of any*
2 *money in the Treasury not otherwise appropriated, for the*
3 *fiscal year ending September 30, 2003, for military func-*
4 *tions administered by the Department of Defense, and for*
5 *other purposes, namely:*

1 *TITLE I*2 *MILITARY PERSONNEL*3 *MILITARY PERSONNEL, ARMY*

4 *For pay, allowances, individual clothing, subsistence,*
5 *interest on deposits, gratuities, permanent change of station*
6 *travel (including all expenses thereof for organizational*
7 *movements), and expenses of temporary duty travel between*
8 *permanent duty stations, for members of the Army on active*
9 *duty (except members of reserve components provided for*
10 *elsewhere), cadets, and aviation cadets; and for payments*
11 *pursuant to section 156 of Public Law 97–377, as amended*
12 *(42 U.S.C. 402 note), and to the Department of Defense*
13 *Military Retirement Fund, \$26,939,792,000.*

14 *MILITARY PERSONNEL, NAVY*

15 *For pay, allowances, individual clothing, subsistence,*
16 *interest on deposits, gratuities, permanent change of station*
17 *travel (including all expenses thereof for organizational*
18 *movements), and expenses of temporary duty travel between*
19 *permanent duty stations, for members of the Navy on active*
20 *duty (except members of the Reserve provided for elsewhere),*
21 *midshipmen, and aviation cadets; and for payments pursu-*
22 *ant to section 156 of Public Law 97–377, as amended (42*
23 *U.S.C. 402 note), and to the Department of Defense Mili-*
24 *tary Retirement Fund, \$21,975,201,000.*

1 *MILITARY PERSONNEL, MARINE CORPS*

2 *For pay, allowances, individual clothing, subsistence,*
3 *interest on deposits, gratuities, permanent change of station*
4 *travel (including all expenses thereof for organizational*
5 *movements), and expenses of temporary duty travel between*
6 *permanent duty stations, for members of the Marine Corps*
7 *on active duty (except members of the Reserve provided for*
8 *elsewhere); and for payments pursuant to section 156 of*
9 *Public Law 97-377, as amended (42 U.S.C. 402 note), and*
10 *to the Department of Defense Military Retirement Fund,*
11 *\$8,507,187,000.*

12 *MILITARY PERSONNEL, AIR FORCE*

13 *For pay, allowances, individual clothing, subsistence,*
14 *interest on deposits, gratuities, permanent change of station*
15 *travel (including all expenses thereof for organizational*
16 *movements), and expenses of temporary duty travel between*
17 *permanent duty stations, for members of the Air Force on*
18 *active duty (except members of reserve components provided*
19 *for elsewhere), cadets, and aviation cadets; and for pay-*
20 *ments pursuant to section 156 of Public Law 97-377, as*
21 *amended (42 U.S.C. 402 note), and to the Department of*
22 *Defense Military Retirement Fund, \$22,036,405,000.*

23 *RESERVE PERSONNEL, ARMY*

24 *For pay, allowances, clothing, subsistence, gratuities,*
25 *travel, and related expenses for personnel of the Army Re-*

1 *serve on active duty under sections 10211, 10302, and 3038*
 2 *of title 10, United States Code, or while serving on active*
 3 *duty under section 12301(d) of title 10, United States Code,*
 4 *in connection with performing duty specified in section*
 5 *12310(a) of title 10, United States Code, or while under-*
 6 *going reserve training, or while performing drills or equiva-*
 7 *lent duty or other duty, and for members of the Reserve*
 8 *Officers' Training Corps, and expenses authorized by sec-*
 9 *tion 16131 of title 10, United States Code; and for pay-*
 10 *ments to the Department of Defense Military Retirement*
 11 *Fund, \$3,402,055,000.*

12 *RESERVE PERSONNEL, NAVY*

13 *For pay, allowances, clothing, subsistence, gratuities,*
 14 *travel, and related expenses for personnel of the Navy Re-*
 15 *serve on active duty under section 10211 of title 10, United*
 16 *States Code, or while serving on active duty under section*
 17 *12301(d) of title 10, United States Code, in connection with*
 18 *performing duty specified in section 12310(a) of title 10,*
 19 *United States Code, or while undergoing reserve training,*
 20 *or while performing drills or equivalent duty, and for mem-*
 21 *bers of the Reserve Officers' Training Corps, and expenses*
 22 *authorized by section 16131 of title 10, United States Code;*
 23 *and for payments to the Department of Defense Military*
 24 *Retirement Fund, \$1,918,352,000.*

1 *RESERVE PERSONNEL, MARINE CORPS*

2 *For pay, allowances, clothing, subsistence, gratuities,*
3 *travel, and related expenses for personnel of the Marine*
4 *Corps Reserve on active duty under section 10211 of title*
5 *10, United States Code, or while serving on active duty*
6 *under section 12301(d) of title 10, United States Code, in*
7 *connection with performing duty specified in section*
8 *12310(a) of title 10, United States Code, or while under-*
9 *going reserve training, or while performing drills or equiva-*
10 *lent duty, and for members of the Marine Corps platoon*
11 *leaders class, and expenses authorized by section 16131 of*
12 *title 10, United States Code; and for payments to the De-*
13 *partment of Defense Military Retirement Fund,*
14 *\$554,383,000.*

15 *RESERVE PERSONNEL, AIR FORCE*

16 *For pay, allowances, clothing, subsistence, gratuities,*
17 *travel, and related expenses for personnel of the Air Force*
18 *Reserve on active duty under sections 10211, 10305, and*
19 *8038 of title 10, United States Code, or while serving on*
20 *active duty under section 12301(d) of title 10, United States*
21 *Code, in connection with performing duty specified in sec-*
22 *tion 12310(a) of title 10, United States Code, or while un-*
23 *dergoing reserve training, or while performing drills or*
24 *equivalent duty or other duty, and for members of the Air*
25 *Reserve Officers' Training Corps, and expenses authorized*

1 *by section 16131 of title 10, United States Code; and for*
2 *payments to the Department of Defense Military Retire-*
3 *ment Fund, \$1,237,504,000.*

4 *NATIONAL GUARD PERSONNEL, ARMY*

5 *For pay, allowances, clothing, subsistence, gratuities,*
6 *travel, and related expenses for personnel of the Army Na-*
7 *tional Guard while on duty under section 10211, 10302,*
8 *or 12402 of title 10 or section 708 of title 32, United States*
9 *Code, or while serving on duty under section 12301(d) of*
10 *title 10 or section 502(f) of title 32, United States Code,*
11 *in connection with performing duty specified in section*
12 *12310(a) of title 10, United States Code, or while under-*
13 *going training, or while performing drills or equivalent*
14 *duty or other duty, and expenses authorized by section*
15 *16131 of title 10, United States Code; and for payments*
16 *to the Department of Defense Military Retirement Fund,*
17 *\$5,128,588,000.*

18 *NATIONAL GUARD PERSONNEL, AIR FORCE*

19 *For pay, allowances, clothing, subsistence, gratuities,*
20 *travel, and related expenses for personnel of the Air Na-*
21 *tional Guard on duty under section 10211, 10305, or 12402*
22 *of title 10 or section 708 of title 32, United States Code,*
23 *or while serving on duty under section 12301(d) of title 10*
24 *or section 502(f) of title 32, United States Code, in connec-*
25 *tion with performing duty specified in section 12310(a) of*

1 *title 10, United States Code, or while undergoing training,*
 2 *or while performing drills or equivalent duty or other duty,*
 3 *and expenses authorized by section 16131 of title 10, United*
 4 *States Code; and for payments to the Department of Defense*
 5 *Military Retirement Fund, \$2,126,061,000.*

6 *TITLE II*

7 *OPERATION AND MAINTENANCE*

8 *OPERATION AND MAINTENANCE, ARMY*

9 *For expenses, not otherwise provided for, necessary for*
 10 *the operation and maintenance of the Army, as authorized*
 11 *by law; and not to exceed \$10,818,000 can be used for emer-*
 12 *gencies and extraordinary expenses, to be expended on the*
 13 *approval or authority of the Secretary of the Army, and*
 14 *payments may be made on his certificate of necessity for*
 15 *confidential military purposes, \$24,048,107,000: Provided,*
 16 *That of the funds appropriated in this paragraph, not less*
 17 *than \$355,000,000 shall be made available only for conven-*
 18 *tional ammunition care and maintenance.*

19 *OPERATION AND MAINTENANCE, NAVY*

20 *For expenses, not otherwise provided for, necessary for*
 21 *the operation and maintenance of the Navy and the Marine*
 22 *Corps, as authorized by law; and not to exceed \$4,415,000*
 23 *can be used for emergencies and extraordinary expenses, to*
 24 *be expended on the approval or authority of the Secretary*
 25 *of the Navy, and payments may be made on his certificate*

1 *of necessity for confidential military purposes,*
2 *\$29,410,276,000.*

3 *OPERATION AND MAINTENANCE, MARINE CORPS*

4 *For expenses, not otherwise provided for, necessary for*
5 *the operation and maintenance of the Marine Corps, as au-*
6 *thorized by law, \$3,576,142,000.*

7 *OPERATION AND MAINTENANCE, AIR FORCE*

8 *For expenses, not otherwise provided for, necessary for*
9 *the operation and maintenance of the Air Force, as author-*
10 *ized by law; and not to exceed \$7,902,000 can be used for*
11 *emergencies and extraordinary expenses, to be expended on*
12 *the approval or authority of the Secretary of the Air Force,*
13 *and payments may be made on his certificate of necessity*
14 *for confidential military purposes, \$27,463,678,000.*

15 *OPERATION AND MAINTENANCE, DEFENSE-WIDE*

16 *For expenses, not otherwise provided for, necessary for*
17 *the operation and maintenance of activities and agencies*
18 *of the Department of Defense (other than the military de-*
19 *partments), as authorized by law, \$14,527,853,000, of*
20 *which not to exceed \$25,000,000 may be available for the*
21 *CINC initiative fund account; and of which not to exceed*
22 *\$34,500,000 can be used for emergencies and extraordinary*
23 *expenses, to be expended on the approval or authority of*
24 *the Secretary of Defense, and payments may be made on*

1 *his certificate of necessity for confidential military pur-*
2 *poses.*

3 *OPERATION AND MAINTENANCE, ARMY RESERVE*

4 *For expenses, not otherwise provided for, necessary for*
5 *the operation and maintenance, including training, organi-*
6 *zation, and administration, of the Army Reserve; repair of*
7 *facilities and equipment; hire of passenger motor vehicles;*
8 *travel and transportation; care of the dead; recruiting; pro-*
9 *curement of services, supplies, and equipment; and commu-*
10 *nications, \$1,963,710,000.*

11 *OPERATION AND MAINTENANCE, NAVY RESERVE*

12 *For expenses, not otherwise provided for, necessary for*
13 *the operation and maintenance, including training, organi-*
14 *zation, and administration, of the Navy Reserve; repair of*
15 *facilities and equipment; hire of passenger motor vehicles;*
16 *travel and transportation; care of the dead; recruiting; pro-*
17 *curement of services, supplies, and equipment; and commu-*
18 *nications, \$1,233,759,000.*

19 *OPERATION AND MAINTENANCE, MARINE CORPS RESERVE*

20 *For expenses, not otherwise provided for, necessary for*
21 *the operation and maintenance, including training, organi-*
22 *zation, and administration, of the Marine Corps Reserve;*
23 *repair of facilities and equipment; hire of passenger motor*
24 *vehicles; travel and transportation; care of the dead; recruit-*

1 *ing; procurement of services, supplies, and equipment; and*
 2 *communications, \$185,532,000.*

3 *OPERATION AND MAINTENANCE, AIR FORCE RESERVE*

4 *For expenses, not otherwise provided for, necessary for*
 5 *the operation and maintenance, including training, organi-*
 6 *zation, and administration, of the Air Force Reserve; repair*
 7 *of facilities and equipment; hire of passenger motor vehicles;*
 8 *travel and transportation; care of the dead; recruiting; pro-*
 9 *curement of services, supplies, and equipment; and commu-*
 10 *nications, \$2,160,604,000.*

11 *OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD*

12 *For expenses of training, organizing, and admin-*
 13 *istering the Army National Guard, including medical and*
 14 *hospital treatment and related expenses in non-Federal hos-*
 15 *pitals; maintenance, operation, and repairs to structures*
 16 *and facilities; hire of passenger motor vehicles; personnel*
 17 *services in the National Guard Bureau; travel expenses*
 18 *(other than mileage), as authorized by law for Army per-*
 19 *sonnel on active duty, for Army National Guard division,*
 20 *regimental, and battalion commanders while inspecting*
 21 *units in compliance with National Guard Bureau regula-*
 22 *tions when specifically authorized by the Chief, National*
 23 *Guard Bureau; supplying and equipping the Army Na-*
 24 *tional Guard as authorized by law; and expenses of repair,*

1 *modification, maintenance, and issue of supplies and*
2 *equipment (including aircraft), \$4,266,412,000.*

3 *OPERATION AND MAINTENANCE, AIR NATIONAL GUARD*

4 *For operation and maintenance of the Air National*
5 *Guard, including medical and hospital treatment and re-*
6 *lated expenses in non-Federal hospitals; maintenance, oper-*
7 *ation, repair, and other necessary expenses of facilities for*
8 *the training and administration of the Air National Guard,*
9 *including repair of facilities, maintenance, operation, and*
10 *modification of aircraft; transportation of things, hire of*
11 *passenger motor vehicles; supplies, materials, and equip-*
12 *ment, as authorized by law for the Air National Guard;*
13 *and expenses incident to the maintenance and use of sup-*
14 *plies, materials, and equipment, including such as may be*
15 *furnished from stocks under the control of agencies of the*
16 *Department of Defense; travel expenses (other than mileage)*
17 *on the same basis as authorized by law for Air National*
18 *Guard personnel on active Federal duty, for Air National*
19 *Guard commanders while inspecting units in compliance*
20 *with National Guard Bureau regulations when specifically*
21 *authorized by the Chief, National Guard Bureau,*
22 *\$4,113,460,000.*

4 *For expenses directly relating to Overseas Contingency*
5 *Operations by United States military forces, \$50,000,000,*
6 *to remain available until expended: Provided, That the Sec-*
7 *retary of Defense may transfer these funds only to military*
8 *personnel accounts; operation and maintenance accounts*
9 *within this title; the Defense Health Program appropria-*
10 *tion; procurement accounts; research, development, test and*
11 *evaluation accounts; and to working capital funds: Pro-*
12 *vided further, That the funds transferred shall be merged*
13 *with and shall be available for the same purposes and for*
14 *the same time period, as the appropriation to which trans-*
15 *ferred: Provided further, That upon a determination that*
16 *all or part of the funds transferred from this appropriation*
17 *are not necessary for the purposes provided herein, such*
18 *amounts may be transferred back to this appropriation:*
19 *Provided further, That the transfer authority provided in*
20 *this paragraph is in addition to any other transfer author-*
21 *ity contained elsewhere in this Act.*

22 *UNITED STATES COURTS OF APPEALS FOR THE ARMED*
23 *FORCES*

24 *For salaries and expenses necessary for the United*
25 *States Court of Appeals for the Armed Forces, \$9,614,000,*

1 *of which not to exceed \$2,500 can be used for official rep-*
2 *resentation purposes.*

3 *ENVIRONMENTAL RESTORATION, ARMY*

4 *(INCLUDING TRANSFER OF FUNDS)*

5 *For the Department of the Army, \$395,900,000, to re-*
6 *main available until transferred: Provided, That the Sec-*
7 *retary of the Army shall, upon determining that such funds*
8 *are required for environmental restoration, reduction and*
9 *recycling of hazardous waste, removal of unsafe buildings*
10 *and debris of the Department of the Army, or for similar*
11 *purposes, transfer the funds made available by this appro-*
12 *priation to other appropriations made available to the De-*
13 *partment of the Army, to be merged with and to be available*
14 *for the same purposes and for the same time period as the*
15 *appropriations to which transferred: Provided further, That*
16 *upon a determination that all or part of the funds trans-*
17 *ferred from this appropriation are not necessary for the*
18 *purposes provided herein, such amounts may be transferred*
19 *back to this appropriation.*

20 *ENVIRONMENTAL RESTORATION, NAVY*

21 *(INCLUDING TRANSFER OF FUNDS)*

22 *For the Department of the Navy, \$256,948,000, to re-*
23 *main available until transferred: Provided, That the Sec-*
24 *retary of the Navy shall, upon determining that such funds*
25 *are required for environmental restoration, reduction and*

1 *recycling of hazardous waste, removal of unsafe buildings*
2 *and debris of the Department of the Navy, or for similar*
3 *purposes, transfer the funds made available by this appro-*
4 *priation to other appropriations made available to the De-*
5 *partment of the Navy, to be merged with and to be available*
6 *for the same purposes and for the same time period as the*
7 *appropriations to which transferred: Provided further, That*
8 *upon a determination that all or part of the funds trans-*
9 *ferred from this appropriation are not necessary for the*
10 *purposes provided herein, such amounts may be transferred*
11 *back to this appropriation.*

12 *ENVIRONMENTAL RESTORATION, AIR FORCE*

13 *(INCLUDING TRANSFER OF FUNDS)*

14 *For the Department of the Air Force, \$389,773,000,*
15 *to remain available until transferred: Provided, That the*
16 *Secretary of the Air Force shall, upon determining that*
17 *such funds are required for environmental restoration, re-*
18 *duction and recycling of hazardous waste, removal of unsafe*
19 *buildings and debris of the Department of the Air Force,*
20 *or for similar purposes, transfer the funds made available*
21 *by this appropriation to other appropriations made avail-*
22 *able to the Department of the Air Force, to be merged with*
23 *and to be available for the same purposes and for the same*
24 *time period as the appropriations to which transferred:*
25 *Provided further, That upon a determination that all or*

1 *part of the funds transferred from this appropriation are*
2 *not necessary for the purposes provided herein, such*
3 *amounts may be transferred back to this appropriation.*

4 *ENVIRONMENTAL RESTORATION, DEFENSE-WIDE*
5 *(INCLUDING TRANSFER OF FUNDS)*

6 *For the Department of Defense, \$23,498,000, to remain*
7 *available until transferred: Provided, That the Secretary of*
8 *Defense shall, upon determining that such funds are re-*
9 *quired for environmental restoration, reduction and recy-*
10 *cling of hazardous waste, removal of unsafe buildings and*
11 *debris of the Department of Defense, or for similar purposes,*
12 *transfer the funds made available by this appropriation to*
13 *other appropriations made available to the Department of*
14 *Defense, to be merged with and to be available for the same*
15 *purposes and for the same time period as the appropria-*
16 *tions to which transferred: Provided further, That upon a*
17 *determination that all or part of the funds transferred from*
18 *this appropriation are not necessary for the purposes pro-*
19 *vided herein, such amounts may be transferred back to this*
20 *appropriation.*

21 *ENVIRONMENTAL RESTORATION, FORMERLY USED*
22 *DEFENSE SITES*
23 *(INCLUDING TRANSFER OF FUNDS)*

24 *For the Department of the Army, \$252,102,000, to re-*
25 *main available until transferred: Provided, That the Sec-*

1 *retary of the Army shall, upon determining that such funds*
2 *are required for environmental restoration, reduction and*
3 *recycling of hazardous waste, removal of unsafe buildings*
4 *and debris at sites formerly used by the Department of De-*
5 *fense, transfer the funds made available by this appropria-*
6 *tion to other appropriations made available to the Depart-*
7 *ment of the Army, to be merged with and to be available*
8 *for the same purposes and for the same time period as the*
9 *appropriations to which transferred: Provided further, That*
10 *upon a determination that all or part of the funds trans-*
11 *ferred from this appropriation are not necessary for the*
12 *purposes provided herein, such amounts may be transferred*
13 *back to this appropriation.*

14 *OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID*

15 *For expenses relating to the Overseas Humanitarian,*
16 *Disaster, and Civic Aid programs of the Department of De-*
17 *fense (consisting of the programs provided under sections*
18 *401, 402, 404, 2547, and 2551 of title 10, United States*
19 *Code), \$58,400,000, to remain available until September*
20 *30, 2004.*

21 *FORMER SOVIET UNION THREAT REDUCTION*

22 *For assistance to the republics of the former Soviet*
23 *Union, including assistance provided by contract or by*
24 *grants, for facilitating the elimination and the safe and se-*
25 *cure transportation and storage of nuclear, chemical and*

1 *other weapons; for establishing programs to prevent the pro-*
 2 *liferation of weapons, weapons components, and weapon-*
 3 *related technology and expertise; for programs relating to*
 4 *the training and support of defense and military personnel*
 5 *for demilitarization and protection of weapons, weapons*
 6 *components and weapons technology and expertise, and for*
 7 *defense and military contacts, \$416,700,000, to remain*
 8 *available until September 30, 2005: Provided, That of the*
 9 *amounts provided under this heading, \$10,000,000 shall be*
 10 *available only to support the dismantling and disposal of*
 11 *nuclear submarines and submarine reactor components in*
 12 *the Russian Far East.*

13 *SUPPORT FOR INTERNATIONAL SPORTING COMPETITIONS,*
 14 *DEFENSE*

15 *For logistical and security support for international*
 16 *sporting competitions (including pay and non-travel re-*
 17 *lated allowances only for members of the Reserve Compo-*
 18 *nents of the Armed Forces of the United States called or*
 19 *ordered to active duty in connection with providing such*
 20 *support), \$19,000,000, to remain available until expended.*

21 *TITLE III*

22 *PROCUREMENT*

23 *AIRCRAFT PROCUREMENT, ARMY*

24 *For construction, procurement, production, modifica-*
 25 *tion, and modernization of aircraft, equipment, including*

1 *ordnance, ground handling equipment, spare parts, and ac-*
2 *cessories therefor; specialized equipment and training de-*
3 *vices; expansion of public and private plants, including the*
4 *land necessary therefor, for the foregoing purposes, and such*
5 *lands and interests therein, may be acquired, and construc-*
6 *tion prosecuted thereon prior to approval of title; and pro-*
7 *curement and installation of equipment, appliances, and*
8 *machine tools in public and private plants; reserve plant*
9 *and Government and contractor-owned equipment layaway;*
10 *and other expenses necessary for the foregoing purposes,*
11 *\$2,249,389,000, to remain available for obligation until*
12 *September 30, 2005.*

13 *MISSILE PROCUREMENT, ARMY*

14 *For construction, procurement, production, modifica-*
15 *tion, and modernization of missiles, equipment, including*
16 *ordnance, ground handling equipment, spare parts, and ac-*
17 *cessories therefor; specialized equipment and training de-*
18 *vices; expansion of public and private plants, including the*
19 *land necessary therefor, for the foregoing purposes, and such*
20 *lands and interests therein, may be acquired, and construc-*
21 *tion prosecuted thereon prior to approval of title; and pro-*
22 *curement and installation of equipment, appliances, and*
23 *machine tools in public and private plants; reserve plant*
24 *and Government and contractor-owned equipment layaway;*
25 *and other expenses necessary for the foregoing purposes,*

3 *PROCUREMENT OF WEAPONS AND TRACKED COMBAT*
4 *VEHICLES, ARMY*

5 For construction, procurement, production, and modi-
6 fication of weapons and tracked combat vehicles, equipment,
7 including ordnance, spare parts, and accessories therefor;
8 specialized equipment and training devices; expansion of
9 public and private plants, including the land necessary
10 therefor, for the foregoing purposes, and such lands and in-
11 terests therein, may be acquired, and construction pros-
12 ecuted thereon prior to approval of title; and procurement
13 and installation of equipment, appliances, and machine
14 tools in public and private plants; reserve plant and Gov-
15 ernment and contractor-owned equipment layaway; and
16 other expenses necessary for the foregoing purposes,
17 \$2,242,058,000, to remain available for obligation until
18 September 30, 2005.

19 *PROCUREMENT OF AMMUNITION, ARMY*

20 *For construction, procurement, production, and modi-*
21 *fication of ammunition, and accessories therefor; specialized*
22 *equipment and training devices; expansion of public and*
23 *private plants, including ammunition facilities authorized*
24 *by section 2854 of title 10, United States Code, and the*
25 *land necessary therefor, for the foregoing purposes, and such*

1 *lands and interests therein, may be acquired, and construc-*
2 *tion prosecuted thereon prior to approval of title; and pro-*
3 *curement and installation of equipment, appliances, and*
4 *machine tools in public and private plants; reserve plant*
5 *and Government and contractor-owned equipment layaway;*
6 *and other expenses necessary for the foregoing purposes,*
7 *\$1,258,599,000, to remain available for obligation until*
8 *September 30, 2005.*

9 *OTHER PROCUREMENT, ARMY*

10 *For construction, procurement, production, and modi-*
11 *fication of vehicles, including tactical, support, and non-*
12 *tracked combat vehicles; the purchase of passenger motor ve-*
13 *hicles for replacement only; and the purchase of 6 vehicles*
14 *required for physical security of personnel, notwithstanding*
15 *price limitations applicable to passenger vehicles but not*
16 *to exceed \$180,000 per vehicle; communications and elec-*
17 *tronic equipment; other support equipment; spare parts,*
18 *ordnance, and accessories therefor; specialized equipment*
19 *and training devices; expansion of public and private*
20 *plants, including the land necessary therefor, for the fore-*
21 *going purposes, and such lands and interests therein, may*
22 *be acquired, and construction prosecuted thereon prior to*
23 *approval of title; and procurement and installation of*
24 *equipment, appliances, and machine tools in public and*
25 *private plants; reserve plant and Government and con-*

1 tractor-owned equipment layaway; and other expenses nec-
 2 essary for the foregoing purposes, \$5,783,439,000, to remain
 3 available for obligation until September 30, 2005.

4 *AIRCRAFT PROCUREMENT, NAVY*

5 *For construction, procurement, production, modifica-*
 6 *tion, and modernization of aircraft, equipment, including*
 7 *ordnance, spare parts, and accessories therefor; specialized*
 8 *equipment; expansion of public and private plants, includ-*
 9 *ing the land necessary therefor, and such lands and inter-*
 10 *ests therein, may be acquired, and construction prosecuted*
 11 *thereon prior to approval of title; and procurement and in-*
 12 *stallation of equipment, appliances, and machine tools in*
 13 *public and private plants; reserve plant and Government*
 14 *and contractor-owned equipment layaway, \$8,849,955,000,*
 15 *to remain available for obligation until September 30,*
 16 *2005.*

17 *WEAPONS PROCUREMENT, NAVY*

18 *For construction, procurement, production, modifica-*
 19 *tion, and modernization of missiles, torpedoes, other weap-*
 20 *ons, and related support equipment including spare parts,*
 21 *and accessories therefor; expansion of public and private*
 22 *plants, including the land necessary therefor, and such*
 23 *lands and interests therein, may be acquired, and construc-*
 24 *tion prosecuted thereon prior to approval of title; and pro-*
 25 *curement and installation of equipment, appliances, and*

1 *machine tools in public and private plants; reserve plant*
2 *and Government and contractor-owned equipment layaway,*
3 *\$1,856,617,000, to remain available for obligation until*
4 *September 30, 2005.*

5 *PROCUREMENT OF AMMUNITION, NAVY AND MARINE*
6 *CORPS*

7 *For construction, procurement, production, and modi-*
8 *fication of ammunition, and accessories therefor; specialized*
9 *equipment and training devices; expansion of public and*
10 *private plants, including ammunition facilities authorized*
11 *by section 2854 of title 10, United States Code, and the*
12 *land necessary therefor, for the foregoing purposes, and such*
13 *lands and interests therein, may be acquired, and construc-*
14 *tion prosecuted thereon prior to approval of title; and pro-*
15 *curement and installation of equipment, appliances, and*
16 *machine tools in public and private plants; reserve plant*
17 *and Government and contractor-owned equipment layaway;*
18 *and other expenses necessary for the foregoing purposes,*
19 *\$1,169,152,000, to remain available for obligation until*
20 *September 30, 2005.*

21 *SHIPBUILDING AND CONVERSION, NAVY*

22 *For expenses necessary for the construction, acquisi-*
23 *tion, or conversion of vessels as authorized by law, includ-*
24 *ing armor and armament thereof, plant equipment, appli-*
25 *ances, and machine tools and installation thereof in public*

1 *and private plants; reserve plant and Government and con-*
 2 *tractor-owned equipment layaway; procurement of critical,*
 3 *long leadtime components and designs for vessels to be con-*
 4 *structed or converted in the future; and expansion of public*
 5 *and private plants, including land necessary therefor, and*
 6 *such lands and interests therein, may be acquired, and con-*
 7 *struction prosecuted thereon prior to approval of title, as*
 8 *follows:*

9 *Carrier Replacement Program (AP),*
 10 *\$472,703,000;*
 11 *SSGN, \$404,305,000;*
 12 *SSGN (AP), \$421,000,000;*
 13 *NSSN, \$1,512,652,000;*
 14 *NSSN (AP), \$645,209,000;*
 15 *CVN Refuelings, \$24,000,000;*
 16 *CVN Refuelings (AP), \$195,781,000;*
 17 *Submarine Refuelings, \$435,792,000;*
 18 *DDG-51 Destroyer, \$2,321,502,000;*
 19 *LPD-17, \$596,492,000;*
 20 *LHD-8, \$243,000,000;*
 21 *LCAC Landing Craft Air Cushion, \$89,638,000;*
 22 *Prior year shipbuilding costs, \$1,481,955,000;*
 23 *Service Craft, \$6,756,000; and*
 24 *For outfitting, post delivery, conversions, and*
 25 *first destination transportation, \$300,608,000;*

1 *In all: \$9,151,393,000, to remain available for obliga-*
2 *tion until September 30, 2007: Provided, That additional*
3 *obligations may be incurred after September 30, 2007, for*
4 *engineering services, tests, evaluations, and other such budg-*
5 *eted work that must be performed in the final stage of ship*
6 *construction: Provided further, That none of the funds pro-*
7 *vided under this heading for the construction or conversion*
8 *of any naval vessel to be constructed in shipyards in the*
9 *United States shall be expended in foreign facilities for the*
10 *construction of major components of such vessel: Provided*
11 *further, That none of the funds provided under this heading*
12 *shall be used for the construction of any naval vessel in*
13 *foreign shipyards.*

14 *OTHER PROCUREMENT, NAVY*

15 *For procurement, production, and modernization of*
16 *support equipment and materials not otherwise provided*
17 *for, Navy ordnance (except ordnance for new aircraft, new*
18 *ships, and ships authorized for conversion); the purchase*
19 *of passenger motor vehicles for replacement only, and the*
20 *purchase of 3 vehicles required for physical security of per-*
21 *sonnel, notwithstanding price limitations applicable to pas-*
22 *senger vehicles but not to exceed \$180,000 per vehicle; ex-*
23 *pansion of public and private plants, including the land*
24 *necessary therefor, and such lands and interests therein,*
25 *may be acquired, and construction prosecuted thereon prior*

1 *to approval of title; and procurement and installation of*
 2 *equipment, appliances, and machine tools in public and*
 3 *private plants; reserve plant and Government and con-*
 4 *tractor-owned equipment layaway, \$4,500,710,000, to re-*
 5 *main available for obligation until September 30, 2005.*

6 *PROCUREMENT, MARINE CORPS*

7 *For expenses necessary for the procurement, manufac-*
 8 *ture, and modification of missiles, armament, military*
 9 *equipment, spare parts, and accessories therefor; plant*
 10 *equipment, appliances, and machine tools, and installation*
 11 *thereof in public and private plants; reserve plant and Gov-*
 12 *ernment and contractor-owned equipment layaway; vehicles*
 13 *for the Marine Corps, including the purchase of passenger*
 14 *motor vehicles for replacement only; and expansion of pub-*
 15 *lic and private plants, including land necessary therefor,*
 16 *and such lands and interests therein, may be acquired, and*
 17 *construction prosecuted thereon prior to approval of title,*
 18 *\$1,357,383,000, to remain available for obligation until*
 19 *September 30, 2005.*

20 *AIRCRAFT PROCUREMENT, AIR FORCE*

21 *For construction, procurement, lease, and modification*
 22 *of aircraft and equipment, including armor and armament,*
 23 *specialized ground handling equipment, and training de-*
 24 *vices, spare parts, and accessories therefor; specialized*
 25 *equipment; expansion of public and private plants, Govern-*

1 *ment-owned equipment and installation thereof in such*
2 *plants, erection of structures, and acquisition of land, for*
3 *the foregoing purposes, and such lands and interests therein,*
4 *may be acquired, and construction prosecuted thereon prior*
5 *to approval of title; reserve plant and Government and con-*
6 *tractor-owned equipment layaway; and other expenses nec-*
7 *essary for the foregoing purposes including rents and trans-*
8 *portation of things, \$13,085,555,000, to remain available*
9 *for obligation until September 30, 2005.*

10 *MISSILE PROCUREMENT, AIR FORCE*

11 *For construction, procurement, and modification of*
12 *missiles, spacecraft, rockets, and related equipment, includ-*
13 *ing spare parts and accessories therefor, ground handling*
14 *equipment, and training devices; expansion of public and*
15 *private plants, Government-owned equipment and installa-*
16 *tion thereof in such plants, erection of structures, and ac-*
17 *quisition of land, for the foregoing purposes, and such lands*
18 *and interests therein, may be acquired, and construction*
19 *prosecuted thereon prior to approval of title; reserve plant*
20 *and Government and contractor-owned equipment layaway;*
21 *and other expenses necessary for the foregoing purposes in-*
22 *cluding rents and transportation of things, \$3,364,639,000,*
23 *to remain available for obligation until September 30,*
24 *2005.*

1 *PROCUREMENT OF AMMUNITION, AIR FORCE*

2 *For construction, procurement, production, and modi-*
3 *fication of ammunition, and accessories therefor; specialized*
4 *equipment and training devices; expansion of public and*
5 *private plants, including ammunition facilities authorized*
6 *by section 2854 of title 10, United States Code, and the*
7 *land necessary therefor, for the foregoing purposes, and such*
8 *lands and interests therein, may be acquired, and construc-*
9 *tion prosecuted thereon prior to approval of title; and pro-*
10 *curement and installation of equipment, appliances, and*
11 *machine tools in public and private plants; reserve plant*
12 *and Government and contractor-owned equipment layaway;*
13 *and other expenses necessary for the foregoing purposes,*
14 *\$1,281,864,000, to remain available for obligation until*
15 *September 30, 2005.*

16 *OTHER PROCUREMENT, AIR FORCE*

17 *For procurement and modification of equipment (in-*
18 *cluding ground guidance and electronic control equipment,*
19 *and ground electronic and communication equipment), and*
20 *supplies, materials, and spare parts therefor, not otherwise*
21 *provided for; the purchase of passenger motor vehicles for*
22 *replacement only, and the purchase of 2 vehicles required*
23 *for physical security of personnel, notwithstanding price*
24 *limitations applicable to passenger vehicles but not to ex-*
25 *ceed \$180,000 per vehicle; lease of passenger motor vehicles;*

1 *and expansion of public and private plants, Government-*
2 *owned equipment and installation thereof in such plants,*
3 *erection of structures, and acquisition of land, for the fore-*
4 *going purposes, and such lands and interests therein, may*
5 *be acquired, and construction prosecuted thereon, prior to*
6 *approval of title; reserve plant and Government and con-*
7 *tractor-owned equipment layaway, \$10,628,958,000, to re-*
8 *main available for obligation until September 30, 2005.*

9 *PROCUREMENT, DEFENSE-WIDE*

10 *For expenses of activities and agencies of the Depart-*
11 *ment of Defense (other than the military departments) nec-*
12 *essary for procurement, production, and modification of*
13 *equipment, supplies, materials, and spare parts therefor,*
14 *not otherwise provided for; the purchase of passenger motor*
15 *vehicles for replacement only; the purchase of 4 vehicles re-*
16 *quired for physical security of personnel, notwithstanding*
17 *price limitations applicable to passenger vehicles but not*
18 *to exceed \$180,000 per vehicle; expansion of public and pri-*
19 *vate plants, equipment, and installation thereof in such*
20 *plants, erection of structures, and acquisition of land for*
21 *the foregoing purposes, and such lands and interests therein,*
22 *may be acquired, and construction prosecuted thereon prior*
23 *to approval of title; reserve plant and Government and con-*
24 *tractor-owned equipment layaway, \$2,958,285,000, to re-*
25 *main available for obligation until September 30, 2005.*

1 *NATIONAL GUARD AND RESERVE EQUIPMENT*

2 *For procurement of aircraft, missiles, tracked combat*
3 *vehicles, ammunition, other weapons, and other procure-*
4 *ment for the reserve components of the Armed Forces,*
5 *\$130,000,000, to remain available for obligation until Sep-*
6 *tember 30, 2005: Provided, That the Chiefs of the Reserve*
7 *and National Guard components shall, not later than 30*
8 *days after the enactment of this Act, individually submit*
9 *to the congressional defense committees the modernization*
10 *priority assessment for their respective Reserve or National*
11 *Guard component.*

12 *DEFENSE PRODUCTION ACT PURCHASES*

13 *For activities by the Department of Defense pursuant*
14 *to sections 108, 301, 302, and 303 of the Defense Production*
15 *Act of 1950 (50 U.S.C. App. 2078, 2091, 2092, and 2093),*
16 *\$73,057,000, to remain available until expended, of which,*
17 *\$5,000,000 may be used for a Processable Rigid-Rod Poly-*
18 *meric Material Supplier Initiative under title III of the De-*
19 *fense Production Act of 1950 (50 U.S.C. App. 2091 et seq.)*
20 *to develop affordable production methods and a domestic*
21 *supplier for military and commercial processable rigid-rod*
22 *polymeric materials.*

1 *TITLE IV*
2 *RESEARCH, DEVELOPMENT, TEST AND*
3 *EVALUATION*
4 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY*
5 *For expenses necessary for basic and applied scientific*
6 *research, development, test and evaluation, including main-*
7 *tenance, rehabilitation, lease, and operation of facilities*
8 *and equipment, \$7,410,168,000, to remain available for ob-*
9 *ligation until September 30, 2004.*
10 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY*
11 *For expenses necessary for basic and applied scientific*
12 *research, development, test and evaluation, including main-*
13 *tenance, rehabilitation, lease, and operation of facilities*
14 *and equipment, \$13,275,735,000, to remain available for*
15 *obligation until September 30, 2004: Provided, That funds*
16 *appropriated in this paragraph which are available for the*
17 *V-22 may be used to meet unique operational requirements*
18 *of the Special Operations Forces: Provided further, That of*
19 *the funds appropriated by this paragraph, up to \$2,000,000*
20 *may be available for Structural Reliability of FRP Com-*
21 *posites: Provided further, That of the funds provided under*
22 *this section, up to \$5,000,000 may be made available for*
23 *the Common Affordable Radar Processing program.*

8 *RESEARCH, DEVELOPMENT, TEST AND EVALUATION,*
9 *DEFENSE-WIDE*

19 *OPERATIONAL TEST AND EVALUATION, DEFENSE***HR 5010 EAS**

1 *evaluation; and administrative expenses in connection*
 2 *therewith, \$302,554,000, to remain available for obligation*
 3 *until September 30, 2004.*

4 *TITLE V*

5 *REVOLVING AND MANAGEMENT FUNDS*

6 *DEFENSE WORKING CAPITAL FUNDS*

7 *For the Defense Working Capital Funds,*
 8 *\$1,784,956,000: Provided, That during fiscal year 2003,*
 9 *funds in the Defense Working Capital Funds may be used*
 10 *for the purchase of not to exceed 315 passenger carrying*
 11 *motor vehicles for replacement only for the Defense Security*
 12 *Service, and the purchase of not to exceed 7 vehicles for re-*
 13 *placement only for the Defense Logistics Agency.*

14 *NATIONAL DEFENSE SEALIFT FUND*

15 *For National Defense Sealift Fund programs, projects,*
 16 *and activities, and for expenses of the National Defense Re-*
 17 *serve Fleet, as established by section 11 of the Merchant*
 18 *Ship Sales Act of 1946 (50 U.S.C. App. 1744), and for the*
 19 *necessary expenses to maintain and preserve a U.S.-flag*
 20 *merchant fleet to serve the national security needs of the*
 21 *United States, \$934,129,000, to remain available until ex-*
 22 *pended: Provided, That none of the funds provided in this*
 23 *paragraph shall be used to award a new contract that pro-*
 24 *vides for the acquisition of any of the following major com-*
 25 *ponents unless such components are manufactured in the*

1 *United States: auxiliary equipment, including pumps, for*
 2 *all shipboard services; propulsion system components (that*
 3 *is; engines, reduction gears, and propellers); shipboard*
 4 *cranes; and spreaders for shipboard cranes: Provided fur-*
 5 *ther, That the exercise of an option in a contract awarded*
 6 *through the obligation of previously appropriated funds*
 7 *shall not be considered to be the award of a new contract:*
 8 *Provided further, That the Secretary of the military depart-*
 9 *ment responsible for such procurement may waive the re-*
 10 *strictions in the first proviso on a case-by-case basis by cer-*
 11 *tifying in writing to the Committees on Appropriations of*
 12 *the House of Representatives and the Senate that adequate*
 13 *domestic supplies are not available to meet Department of*
 14 *Defense requirements on a timely basis and that such an*
 15 *acquisition must be made in order to acquire capability for*
 16 *national security purposes.*

17 *TITLE VI*

18 *OTHER DEPARTMENT OF DEFENSE PROGRAMS*

19 *DEFENSE HEALTH PROGRAM*

20 *For expenses, not otherwise provided for, for medical*
 21 *and health care programs of the Department of Defense, as*
 22 *authorized by law, \$14,961,497,000, of which*
 23 *\$14,283,041,000 shall be for Operation and maintenance,*
 24 *of which not to exceed 2 percent shall remain available until*
 25 *September 30, 2004; of which \$284,242,000, to remain*

1 *available for obligation until September 30, 2005, shall be*
2 *for Procurement; of which \$394,214,000, to remain avail-*
3 *able for obligation until September 30, 2004, shall be for*
4 *Research, development, test and evaluation.*

5 *CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, ARMY*

6 *For expenses, not otherwise provided for, necessary for*
7 *the destruction of the United States stockpile of lethal chem-*
8 *ical agents and munitions in accordance with the provi-*
9 *sions of section 1412 of the Department of Defense Author-*
10 *ization Act, 1986 (50 U.S.C. 1521), and for the destruction*
11 *of other chemical warfare materials that are not in the*
12 *chemical weapon stockpile, \$1,490,199,000, of which*
13 *\$974,238,000 shall be for Operation and maintenance to re-*
14 *main available until September 30, 2004, \$213,278,000*
15 *shall be for Procurement to remain available until Sep-*
16 *tember 30, 2005, and \$302,683,000 shall be for Research,*
17 *development, test and evaluation to remain available until*
18 *September 30, 2004: Provided, That of these funds*
19 *\$507,500,000 shall not be available until five days after the*
20 *Army notifies the Committees on Appropriations of the*
21 *House and Senate that it is able to meet milestones agreed*
22 *upon by the Office of the Secretary of Defense and the Office*
23 *of Management and Budget.*

1 *DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES,*
2 *DEFENSE*

3 *(INCLUDING TRANSFER OF FUNDS)*

4 *For drug interdiction and counter-drug activities of*
5 *the Department of Defense, for transfer to appropriations*
6 *available to the Department of Defense for military per-*
7 *sonnel of the reserve components serving under the provi-*
8 *sions of title 10 and title 32, United States Code; for Oper-*
9 *ation and maintenance; for Procurement; and for Research,*
10 *development, test and evaluation, \$916,107,000: Provided,*
11 *That the funds appropriated under this heading shall be*
12 *available for obligation for the same time period and for*
13 *the same purpose as the appropriation to which transferred:*
14 *Provided further, That upon a determination that all or*
15 *part of the funds transferred from this appropriation are*
16 *not necessary for the purposes provided herein, such*
17 *amounts may be transferred back to this appropriation:*
18 *Provided further, That the transfer authority provided*
19 *under this heading is in addition to any other transfer au-*
20 *thority contained elsewhere in this Act.*

21 *OFFICE OF THE INSPECTOR GENERAL*

22 *For expenses and activities of the Office of the Inspec-*
23 *tor General in carrying out the provisions of the Inspector*
24 *General Act of 1978, as amended, \$157,165,000, of which*
25 *\$155,165,000 shall be for Operation and maintenance, of*

1 *which not to exceed \$700,000 is available for emergencies*
 2 *and extraordinary expenses to be expended on the approval*
 3 *or authority of the Inspector General, and payments may*
 4 *be made on the Inspector General's certificate of necessity*
 5 *for confidential military purposes; and of which \$2,000,000*
 6 *to remain available until September 30, 2005, shall be for*
 7 *Procurement.*

8 *TITLE VII*

9 *RELATED AGENCIES*

10 *CENTRAL INTELLIGENCE AGENCY RETIREMENT AND*

11 *DISABILITY SYSTEM FUND*

12 *For payment to the Central Intelligence Agency Retire-*
 13 *ment and Disability System Fund, to maintain the proper*
 14 *funding level for continuing the operation of the Central*
 15 *Intelligence Agency Retirement and Disability System,*
 16 *\$212,000,000.*

17 *INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT*

18 *(INCLUDING TRANSFER OF FUNDS)*

19 *For necessary expenses of the Intelligence Community*
 20 *Management Account, \$122,754,000 of which \$24,252,000*
 21 *for the Advanced Research and Development Committee*
 22 *shall remain available until September 30, 2004: Provided,*
 23 *That of the funds appropriated under this heading,*
 24 *\$34,100,000 shall be transferred to the Department of Jus-*
 25 *tice for the National Drug Intelligence Center to support*

1 *the Department of Defense's counter-drug intelligence re-*
 2 *sponsibilities, and of the said amount, \$1,500,000 for Pro-*
 3 *curement shall remain available until September 30, 2005*
 4 *and \$1,000,000 for Research, development, test and evalua-*
 5 *tion shall remain available until September 30, 2004: Pro-*
 6 *vided further, That the National Drug Intelligence Center*
 7 *shall maintain the personnel and technical resources to pro-*
 8 *vide timely support to law enforcement authorities to con-*
 9 *duct document exploitation of materials collected in Fed-*
 10 *eral, State, and local law enforcement activity.*

11 *PAYMENT TO KAHO'OLAWA ISLAND CONVEYANCE,*
 12 *REMEDIATION, AND ENVIRONMENTAL RESTORATION FUND*
 13 *For payment to Kaho'olawe Island Conveyance, Reme-*
 14 *diation, and Environmental Restoration Fund, as author-*
 15 *ized by law, \$80,000,000, to remain available until ex-*
 16 *pended.*

17 *NATIONAL SECURITY EDUCATION TRUST FUND*
 18 *For the purposes of title VIII of Public Law 102-183,*
 19 *\$8,000,000, to be derived from the National Security Edu-*
 20 *cation Trust Fund, to remain available until expended.*

21 *TITLE VIII*

22 *GENERAL PROVISIONS*

23 *SEC. 8001. No part of any appropriation contained*
 24 *in this Act shall be used for publicity or propaganda pur-*
 25 *poses not authorized by the Congress.*

1 *SEC. 8002. During the current fiscal year, provisions*
2 *of law prohibiting the payment of compensation to, or em-*
3 *ployment of, any person not a citizen of the United States*
4 *shall not apply to personnel of the Department of Defense:*
5 *Provided, That salary increases granted to direct and indi-*
6 *rect hire foreign national employees of the Department of*
7 *Defense funded by this Act shall not be at a rate in excess*
8 *of the percentage increase authorized by law for civilian*
9 *employees of the Department of Defense whose pay is com-*
10 *puted under the provisions of section 5332 of title 5, United*
11 *States Code, or at a rate in excess of the percentage increase*
12 *provided by the appropriate host nation to its own employ-*
13 *ees, whichever is higher: Provided further, That this section*
14 *shall not apply to Department of Defense foreign service*
15 *national employees serving at United States diplomatic*
16 *missions whose pay is set by the Department of State under*
17 *the Foreign Service Act of 1980: Provided further, That the*
18 *limitations of this provision shall not apply to foreign na-*
19 *tional employees of the Department of Defense in the Re-*
20 *public of Turkey.*

21 *SEC. 8003. No part of any appropriation contained*
22 *in this Act shall remain available for obligation beyond the*
23 *current fiscal year, unless expressly so provided herein.*

24 *SEC. 8004. No more than 20 percent of the appropria-*
25 *tions in this Act which are limited for obligation during*

1 *the current fiscal year shall be obligated during the last 2*
2 *months of the fiscal year: Provided, That this section shall*
3 *not apply to obligations for support of active duty training*
4 *of reserve components or summer camp training of the Re-*
5 *serve Officers' Training Corps.*

6 (TRANSFER OF FUNDS)

7 SEC. 8005. *Upon determination by the Secretary of*
8 *Defense that such action is necessary in the national inter-*
9 *est, he may, with the approval of the Office of Management*
10 *and Budget, transfer not to exceed \$2,000,000,000 of work-*
11 *ing capital funds of the Department of Defense or funds*
12 *made available in this Act to the Department of Defense*
13 *for military functions (except military construction) be-*
14 *tween such appropriations or funds or any subdivision*
15 *thereof, to be merged with and to be available for the same*
16 *purposes, and for the same time period, as the appropria-*
17 *tion or fund to which transferred: Provided, That such au-*
18 *thority to transfer may not be used unless for higher pri-*
19 *ority items, based on unforeseen military requirements,*
20 *than those for which originally appropriated and in no case*
21 *where the item for which funds are requested has been de-*
22 *nied by the Congress: Provided further, That the Secretary*
23 *of Defense shall notify the Congress promptly of all transfers*
24 *made pursuant to this authority or any other authority in*
25 *this Act: Provided further, That no part of the funds in*
26 *this Act shall be available to prepare or present a request*

1 *to the Committees on Appropriations for reprogramming*
2 *of funds, unless for higher priority items, based on unfore-*
3 *seen military requirements, than those for which originally*
4 *appropriated and in no case where the item for which re-*
5 *programming is requested has been denied by the Congress:*
6 *Provided further, That a request for multiple*
7 *reprogrammings of funds using authority provided in this*
8 *section must be made prior to May 31, 2003.*

9 (TRANSFER OF FUNDS)

10 SEC. 8006. *During the current fiscal year, cash bal-*
11 *ances in working capital funds of the Department of De-*
12 *fense established pursuant to section 2208 of title 10, United*
13 *States Code, may be maintained in only such amounts as*
14 *are necessary at any time for cash disbursements to be made*
15 *from such funds: Provided, That transfers may be made be-*
16 *tween such funds: Provided further, That transfers may be*
17 *made between working capital funds and the “Foreign Cur-*
18 *rency Fluctuations, Defense” appropriation and the “Oper-*
19 *ation and Maintenance” appropriation accounts in such*
20 *amounts as may be determined by the Secretary of Defense,*
21 *with the approval of the Office of Management and Budget,*
22 *except that such transfers may not be made unless the Sec-*
23 *retary of Defense has notified the Congress of the proposed*
24 *transfer. Except in amounts equal to the amounts appro-*
25 *priated to working capital funds in this Act, no obligations*
26 *may be made against a working capital fund to procure*

1 *or increase the value of war reserve material inventory, un-*
2 *less the Secretary of Defense has notified the Congress prior*
3 *to any such obligation.*

4 *SEC. 8007. Funds appropriated by this Act may not*
5 *be used to initiate a special access program without prior*
6 *notification 30 calendar days in session in advance to the*
7 *congressional defense committees.*

8 *SEC. 8008. None of the funds provided in this Act shall*
9 *be available to initiate: (1) a multiyear contract that em-*
10 *loys economic order quantity procurement in excess of*
11 *\$20,000,000 in any 1 year of the contract or that includes*
12 *an unfunded contingent liability in excess of \$20,000,000;*
13 *or (2) a contract for advance procurement leading to a*
14 *multiyear contract that employs economic order quantity*
15 *procurement in excess of \$20,000,000 in any 1 year, unless*
16 *the congressional defense committees have been notified at*
17 *least 30 days in advance of the proposed contract award:*
18 *Provided, That no part of any appropriation contained in*
19 *this Act shall be available to initiate a multiyear contract*
20 *for which the economic order quantity advance procurement*
21 *is not funded at least to the limits of the Government's li-*
22 *ability: Provided further, That no part of any appropria-*
23 *tion contained in this Act shall be available to initiate*
24 *multiyear procurement contracts for any systems or compo-*
25 *nent thereof if the value of the multiyear contract would*

1 *exceed \$500,000,000 unless specifically provided in this Act:*
2 *Provided further, That no multiyear procurement contract*
3 *can be terminated without 10-day prior notification to the*
4 *congressional defense committees: Provided further, That the*
5 *execution of multiyear authority shall require the use of a*
6 *present value analysis to determine lowest cost compared*
7 *to an annual procurement.*

8 *Funds appropriated in title III of this Act may be*
9 *used for multiyear procurement contracts as follows:*

10 *C-130 aircraft;*
11 *FMTV; and*
12 *F/A-18E and F engine.*

13 *SEC. 8009. Within the funds appropriated for the oper-*
14 *ation and maintenance of the Armed Forces, funds are here-*
15 *by appropriated pursuant to section 401 of title 10, United*
16 *States Code, for humanitarian and civic assistance costs*
17 *under chapter 20 of title 10, United States Code. Such funds*
18 *may also be obligated for humanitarian and civic assist-*
19 *ance costs incidental to authorized operations and pursuant*
20 *to authority granted in section 401 of chapter 20 of title*
21 *10, United States Code, and these obligations shall be re-*
22 *ported to the Congress as of September 30 of each year: Pro-*
23 *vided, That funds available for operation and maintenance*
24 *shall be available for providing humanitarian and similar*
25 *assistance by using Civic Action Teams in the Trust Terri-*

1 *tories of the Pacific Islands and freely associated states of*
2 *Micronesia, pursuant to the Compact of Free Association*
3 *as authorized by Public Law 99–239: Provided further,*
4 *That upon a determination by the Secretary of the Army*
5 *that such action is beneficial for graduate medical edu-*
6 *cation programs conducted at Army medical facilities lo-*
7 *cated in Hawaii, the Secretary of the Army may authorize*
8 *the provision of medical services at such facilities and*
9 *transportation to such facilities, on a nonreimbursable*
10 *basis, for civilian patients from American Samoa, the Com-*
11 *monwealth of the Northern Mariana Islands, the Marshall*
12 *Islands, the Federated States of Micronesia, Palau, and*
13 *Guam.*

14 *SEC. 8010. (a) During fiscal year 2003, the civilian*
15 *personnel of the Department of Defense may not be man-*
16 *aged on the basis of any end-strength, and the management*
17 *of such personnel during that fiscal year shall not be subject*
18 *to any constraint or limitation (known as an end-strength)*
19 *on the number of such personnel who may be employed on*
20 *the last day of such fiscal year.*

21 *(b) The fiscal year 2004 budget request for the Depart-*
22 *ment of Defense as well as all justification material and*
23 *other documentation supporting the fiscal year 2004 De-*
24 *partment of Defense budget request shall be prepared and*

1 *submitted to the Congress as if subsections (a) and (b) of*
2 *this provision were effective with regard to fiscal year 2004.*

3 *(c) Nothing in this section shall be construed to apply*
4 *to military (civilian) technicians.*

5 *SEC. 8011. Notwithstanding any other provision of*
6 *law, none of the funds made available by this Act shall be*
7 *used by the Department of Defense to exceed, outside the*
8 *50 United States, its territories, and the District of Colum-*
9 *bia, 125,000 civilian workyears: Provided, That workyears*
10 *shall be applied as defined in the Federal Personnel Man-*
11 *ual: Provided further, That workyears expended in depend-*
12 *ent student hiring programs for disadvantaged youths shall*
13 *not be included in this workyear limitation.*

14 *SEC. 8012. None of the funds made available by this*
15 *Act shall be used in any way, directly or indirectly, to in-*
16 *fluence congressional action on any legislation or appro-*
17 *priation matters pending before the Congress.*

18 *SEC. 8013. None of the funds appropriated by this Act*
19 *shall be available for the basic pay and allowances of any*
20 *member of the Army participating as a full-time student*
21 *and receiving benefits paid by the Secretary of Veterans Af-*
22 *fairs from the Department of Defense Education Benefits*
23 *Fund when time spent as a full-time student is credited*
24 *toward completion of a service commitment: Provided, That*
25 *this subsection shall not apply to those members who have*

1 reenlisted with this option prior to October 1, 1987: Pro-
2 vided further, That this subsection applies only to active
3 components of the Army.

4 SEC. 8014. None of the funds appropriated by this Act
5 shall be available to convert to contractor performance an
6 activity or function of the Department of Defense that, on
7 or after the date of the enactment of this Act, is performed
8 by more than 10 Department of Defense civilian employees
9 until a most efficient and cost-effective organization anal-
10 ysis is completed on such activity or function and certifi-
11 cation of the analysis is made to the Committees on Appro-
12 priations of the House of Representatives and the Senate:
13 Provided, That this section and subsections (a), (b), and
14 (c) of 10 U.S.C. 2461 shall not apply to a commercial or
15 industrial type function of the Department of Defense that:
16 (1) is included on the procurement list established pursuant
17 to section 2 of the Act of June 25, 1938 (41 U.S.C. 47),
18 popularly referred to as the Javits-Wagner-O'Day Act; (2)
19 is planned to be converted to performance by a qualified
20 nonprofit agency for the blind or by a qualified nonprofit
21 agency for other severely handicapped individuals in ac-
22 cordance with that Act; or (3) is planned to be converted
23 to performance by a qualified firm under 51 percent owner-
24 ship by an Indian tribe, as defined in section 450b(e) of
25 title 25, United States Code, or a Native Hawaiian organi-

1 zation, as defined in section 637(a)(15) of title 15, United
 2 States Code.

3 (TRANSFER OF FUNDS)

4 SEC. 8015. *Funds appropriated in title III of this Act*
 5 *for the Department of Defense Pilot Mentor-Protege Pro-*
 6 *gram may be transferred to any other appropriation con-*
 7 *tained in this Act solely for the purpose of implementing*
 8 *a Mentor-Protege Program developmental assistance agree-*
 9 *ment pursuant to section 831 of the National Defense Au-*
 10 *thorization Act for Fiscal Year 1991 (Public Law 101-510;*
 11 *10 U.S.C. 2301 note), as amended, under the authority of*
 12 *this provision or any other transfer authority contained in*
 13 *this Act.*

14 SEC. 8016. *None of the funds in this Act may be avail-*
 15 *able for the purchase by the Department of Defense (and*
 16 *its departments and agencies) of welded shipboard anchor*
 17 *and mooring chain 4 inches in diameter and under unless*
 18 *the anchor and mooring chain are manufactured in the*
 19 *United States from components which are substantially*
 20 *manufactured in the United States: Provided, That for the*
 21 *purpose of this section manufactured will include cutting,*
 22 *heat treating, quality control, testing of chain and welding*
 23 *(including the forging and shot blasting process): Provided*
 24 *further, That for the purpose of this section substantially*
 25 *all of the components of anchor and mooring chain shall*
 26 *be considered to be produced or manufactured in the United*

1 *States if the aggregate cost of the components produced or*
2 *manufactured in the United States exceeds the aggregate*
3 *cost of the components produced or manufactured outside*
4 *the United States: Provided further, That when adequate*
5 *domestic supplies are not available to meet Department of*
6 *Defense requirements on a timely basis, the Secretary of the*
7 *service responsible for the procurement may waive this re-*
8 *striction on a case-by-case basis by certifying in writing*
9 *to the Committees on Appropriations that such an acquisi-*
10 *tion must be made in order to acquire capability for na-*
11 *tional security purposes.*

12 *SEC. 8017. None of the funds appropriated by this Act*
13 *available for the Civilian Health and Medical Program of*
14 *the Uniformed Services (CHAMPUS) or TRICARE shall*
15 *be available for the reimbursement of any health care pro-*
16 *vider for inpatient mental health service for care received*
17 *when a patient is referred to a provider of inpatient mental*
18 *health care or residential treatment care by a medical or*
19 *health care professional having an economic interest in the*
20 *facility to which the patient is referred: Provided, That this*
21 *limitation does not apply in the case of inpatient mental*
22 *health services provided under the program for persons with*
23 *disabilities under subsection (d) of section 1079 of title 10,*
24 *United States Code, provided as partial hospital care, or*
25 *provided pursuant to a waiver authorized by the Secretary*

1 of Defense because of medical or psychological circumstances
2 of the patient that are confirmed by a health professional
3 who is not a Federal employee after a review, pursuant to
4 rules prescribed by the Secretary, which takes into account
5 the appropriate level of care for the patient, the intensity
6 of services required by the patient, and the availability of
7 that care.

8 SEC. 8018. Notwithstanding any other provision of
9 law, during the current fiscal year, the Secretary of Defense
10 may, by executive agreement, establish with host nation
11 governments in NATO member states a separate account
12 into which such residual value amounts negotiated in the
13 return of United States military installations in NATO
14 member states may be deposited, in the currency of the host
15 nation, in lieu of direct monetary transfers to the United
16 States Treasury: Provided, That such credits may be uti-
17 lized only for the construction of facilities to support United
18 States military forces in that host nation, or such real prop-
19 erty maintenance and base operating costs that are cur-
20 rently executed through monetary transfers to such host na-
21 tions: Provided further, That the Department of Defense's
22 budget submission for fiscal year 2004 shall identify such
23 sums anticipated in residual value settlements, and identify
24 such construction, real property maintenance or base oper-
25 ating costs that shall be funded by the host nation through

1 *such credits: Provided further, That all military construc-*
2 *tion projects to be executed from such accounts must be pre-*
3 *viously approved in a prior Act of Congress: Provided fur-*
4 *ther, That each such executive agreement with a NATO*
5 *member host nation shall be reported to the congressional*
6 *defense committees, the Committee on International Rela-*
7 *tions of the House of Representatives and the Committee*
8 *on Foreign Relations of the Senate 30 days prior to the*
9 *conclusion and endorsement of any such agreement estab-*
10 *lished under this provision.*

11 *SEC. 8019. None of the funds available to the Depart-*
12 *ment of Defense may be used to demilitarize or dispose of*
13 *M-1 Carbines, M-1 Garand rifles, M-14 rifles, .22 caliber*
14 *rifles, .30 caliber rifles, or M-1911 pistols.*

15 *SEC. 8020. No more than \$500,000 of the funds appro-*
16 *priated or made available in this Act shall be used during*
17 *a single fiscal year for any single relocation of an organiza-*
18 *tion, unit, activity or function of the Department of Defense*
19 *into or within the National Capital Region: Provided, That*
20 *the Secretary of Defense may waive this restriction on a*
21 *case-by-case basis by certifying in writing to the congres-*
22 *sional defense committees that such a relocation is required*
23 *in the best interest of the Government.*

24 *SEC. 8021. (a) In addition to the funds provided else-*
25 *where in this Act, \$8,000,000 is appropriated only for in-*

1 centive payments authorized by section 504 of the Indian
2 Finance Act of 1974 (25 U.S.C. 1544) to defense contractors
3 at any tier which make subcontract awards to subcontract-
4 tors or suppliers owned by entities defined pursuant to 25
5 U.S.C. 1544 and 4221(9); and

6 (b) Section 8022 of the Department of Defense Appro-
7 priation Act (Public Law 106–259) is amended by striking
8 out the period and adding “: Provided further, That not-
9 withstanding 41 U.S.C. § 430, this section shall be applica-
10 ble to any acquisition for goods and services, including a
11 contract and subcontracts for procurement of commercial
12 items whenever the prime contract amount is over \$500,000
13 and involves the expenditure of funds appropriated by this
14 or any other Act.”.

15 SEC. 8022. None of the funds appropriated by this Act
16 shall be available to perform any cost study pursuant to
17 the provisions of OMB Circular A–76 if the study being
18 performed exceeds a period of 24 months after initiation
19 of such study with respect to a single function activity or
20 48 months after initiation of such study for a multi-func-
21 tion activity.

22 SEC. 8023. Funds appropriated by this Act for the
23 American Forces Information Service shall not be used for
24 any national or international political or psychological ac-
25 tivities.

1 *SEC. 8024. Notwithstanding any other provision of*
2 *law or regulation, the Secretary of Defense may adjust wage*
3 *rates for civilian employees hired for certain health care*
4 *occupations as authorized for the Secretary of Veterans Af-*
5 *fairs by section 7455 of title 38, United States Code.*

6 *SEC. 8025. (a) Of the funds for the procurement of sup-*
7 *plies or services appropriated by this Act, qualified non-*
8 *profit agencies for the blind or other severely handicapped*
9 *shall be afforded the maximum practicable opportunity to*
10 *participate as subcontractors and suppliers in the perform-*
11 *ance of contracts let by the Department of Defense.*

12 *(b) During the current fiscal year, a business concern*
13 *which has negotiated with a military service or defense*
14 *agency a subcontracting plan for the participation by small*
15 *business concerns pursuant to section 8(d) of the Small*
16 *Business Act (15 U.S.C. 637(d)) shall be given credit to-*
17 *ward meeting that subcontracting goal for any purchases*
18 *made from qualified nonprofit agencies for the blind or*
19 *other severely handicapped.*

20 *(c) For the purpose of this section, the phrase “quali-*
21 *fied nonprofit agency for the blind or other severely handi-*
22 *capped” means a nonprofit agency for the blind or other*
23 *severely handicapped that has been approved by the Com-*
24 *mittee for the Purchase from the Blind and Other Severely*

1 *Handicapped under the Javits-Wagner-O'Day Act (41*
2 *U.S.C. 46–48).*

3 *SEC. 8026. During the current fiscal year, net receipts*
4 *pursuant to collections from third party payers pursuant*
5 *to section 1095 of title 10, United States Code, shall be*
6 *made available to the local facility of the uniformed services*
7 *responsible for the collections and shall be over and above*
8 *the facility's direct budget amount.*

9 *SEC. 8027. During the current fiscal year, the Depart-*
10 *ment of Defense is authorized to incur obligations of not*
11 *to exceed \$350,000,000 for purposes specified in section*
12 *2350j(c) of title 10, United States Code, in anticipation of*
13 *receipt of contributions, only from the Government of Ku-*
14 *wait, under that section: Provided, That upon receipt, such*
15 *contributions from the Government of Kuwait shall be cred-*
16 *ited to the appropriations or fund which incurred such obli-*
17 *gations.*

18 *SEC. 8028. Of the funds made available in this Act,*
19 *not less than \$21,188,000 shall be available for the Civil*
20 *Air Patrol Corporation, of which \$19,688,000 shall be*
21 *available for Civil Air Patrol Corporation operation and*
22 *maintenance to support readiness activities which includes*
23 *\$1,500,000 for the Civil Air Patrol counterdrug program:*
24 *Provided, That funds identified for "Civil Air Patrol"*
25 *under this section are intended for and shall be for the ex-*

1 *clusive use of the Civil Air Patrol Corporation and not for*
2 *the Air Force or any unit thereof.*

3 *SEC. 8029. (a) None of the funds appropriated in this*
4 *Act are available to establish a new Department of Defense*
5 *(department) federally funded research and development*
6 *center (FFRDC), either as a new entity, or as a separate*
7 *entity administrated by an organization managing another*
8 *FFRDC, or as a nonprofit membership corporation con-*
9 *sisting of a consortium of other FFRDCs and other non-*
10 *profit entities.*

11 *(b) No member of a Board of Directors, Trustees, Over-*
12 *seers, Advisory Group, Special Issues Panel, Visiting Com-*
13 *mittee, or any similar entity of a defense FFRDC, and no*
14 *paid consultant to any defense FFRDC, except when acting*
15 *in a technical advisory capacity, may be compensated for*
16 *his or her services as a member of such entity, or as a paid*
17 *consultant by more than one FFRDC in a fiscal year: Pro-*
18 *vided, That a member of any such entity referred to pre-*
19 *viously in this subsection shall be allowed travel expenses*
20 *and per diem as authorized under the Federal Joint Travel*
21 *Regulations, when engaged in the performance of member-*
22 *ship duties.*

23 *(c) Notwithstanding any other provision of law, none*
24 *of the funds available to the department from any source*
25 *during fiscal year 2003 may be used by a defense FFRDC,*

1 *through a fee or other payment mechanism, for construction*
2 *of new buildings, for payment of cost sharing for projects*
3 *funded by Government grants, for absorption of contract*
4 *overruns, or for certain charitable contributions, not to in-*
5 *clude employee participation in community service and/or*
6 *development.*

7 (d) *Notwithstanding any other provision of law, of the*
8 *funds available to the department during fiscal year 2003,*
9 *not more than 6,300 staff years of technical effort (staff*
10 *years) may be funded for defense FFRDCs: Provided, That*
11 *of the specific amount referred to previously in this sub-*
12 *section, not more than 1,029 staff years may be funded for*
13 *the defense studies and analysis FFRDCs.*

14 (e) *The Secretary of Defense shall, with the submission*
15 *of the department's fiscal year 2004 budget request, submit*
16 *a report presenting the specific amounts of staff years of*
17 *technical effort to be allocated for each defense FFRDC dur-*
18 *ing that fiscal year.*

19 (f) *Notwithstanding any other provision of this Act,*
20 *the total amount appropriated in this Act for FFRDCs is*
21 *hereby reduced by \$91,600,000.*

22 SEC. 8030. *None of the funds appropriated or made*
23 *available in this Act shall be used to procure carbon, alloy*
24 *or armor steel plate for use in any Government-owned facil-*
25 *ity or property under the control of the Department of De-*

1 *fense which were not melted and rolled in the United States*
2 *or Canada: Provided, That these procurement restrictions*
3 *shall apply to any and all Federal Supply Class 9515,*
4 *American Society of Testing and Materials (ASTM) or*
5 *American Iron and Steel Institute (AISI) specifications of*
6 *carbon, alloy or armor steel plate: Provided further, That*
7 *the Secretary of the military department responsible for the*
8 *procurement may waive this restriction on a case-by-case*
9 *basis by certifying in writing to the Committees on Appro-*
10 *priations of the House of Representatives and the Senate*
11 *that adequate domestic supplies are not available to meet*
12 *Department of Defense requirements on a timely basis and*
13 *that such an acquisition must be made in order to acquire*
14 *capability for national security purposes: Provided further,*
15 *That these restrictions shall not apply to contracts which*
16 *are in being as of the date of the enactment of this Act.*

17 *SEC. 8031. For the purposes of this Act, the term “con-*
18 *gressional defense committees” means the Armed Services*
19 *Committee of the House of Representatives, the Armed Serv-*
20 *ices Committee of the Senate, the Subcommittee on Defense*
21 *of the Committee on Appropriations of the Senate, and the*
22 *Subcommittee on Defense of the Committee on Appropria-*
23 *tions of the House of Representatives.*

24 *SEC. 8032. During the current fiscal year, the Depart-*
25 *ment of Defense may acquire the modification, depot main-*

1 *tenance and repair of aircraft, vehicles and vessels as well*
2 *as the production of components and other Defense-related*
3 *articles, through competition between Department of De-*
4 *fense depot maintenance activities and private firms: Pro-*
5 *vided, That the Senior Acquisition Executive of the military*
6 *department or defense agency concerned, with power of dele-*
7 *gation, shall certify that successful bids include comparable*
8 *estimates of all direct and indirect costs for both public and*
9 *private bids: Provided further, That Office of Management*
10 *and Budget Circular A-76 shall not apply to competitions*
11 *conducted under this section.*

12 *SEC. 8033. (a)(1) If the Secretary of Defense, after con-*
13 *sultation with the United States Trade Representative, de-*
14 *termines that a foreign country which is party to an agree-*
15 *ment described in paragraph (2) has violated the terms of*
16 *the agreement by discriminating against certain types of*
17 *products produced in the United States that are covered by*
18 *the agreement, the Secretary of Defense shall rescind the*
19 *Secretary's blanket waiver of the Buy American Act with*
20 *respect to such types of products produced in that foreign*
21 *country.*

22 *(2) An agreement referred to in paragraph (1) is any*
23 *reciprocal defense procurement memorandum of under-*
24 *standing, between the United States and a foreign country*
25 *pursuant to which the Secretary of Defense has prospec-*

1 *tively waived the Buy American Act for certain products*
 2 *in that country.*

3 *(b) The Secretary of Defense shall submit to the Con-*
 4 *gress a report on the amount of Department of Defense pur-*
 5 *chases from foreign entities in fiscal year 2003. Such report*
 6 *shall separately indicate the dollar value of items for which*
 7 *the Buy American Act was waived pursuant to any agree-*
 8 *ment described in subsection (a)(2), the Trade Agreement*
 9 *Act of 1979 (19 U.S.C. 2501 et seq.), or any international*
 10 *agreement to which the United States is a party.*

11 *(c) For purposes of this section, the term “Buy Amer-*
 12 *ican Act” means title III of the Act entitled “An Act mak-*
 13 *ing appropriations for the Treasury and Post Office De-*
 14 *partments for the fiscal year ending June 30, 1934, and*
 15 *for other purposes”, approved March 3, 1933 (41 U.S.C.*
 16 *10a et seq.).*

17 *SEC. 8034. Appropriations contained in this Act that*
 18 *remain available at the end of the current fiscal year as*
 19 *a result of energy cost savings realized by the Department*
 20 *of Defense shall remain available for obligation for the next*
 21 *fiscal year to the extent, and for the purposes, provided in*
 22 *section 2865 of title 10, United States Code.*

23 *(INCLUDING TRANSFER OF FUNDS)*

24 *SEC. 8035. Amounts deposited during the current fis-*
 25 *cal year to the special account established under 40 U.S.C.*
 26 *485(h)(2) and to the special account established under 10*

1 *U.S.C. 2667(d)(1) are appropriated and shall be available*
 2 *until transferred by the Secretary of Defense to current ap-*
 3 *plicable appropriations or funds of the Department of De-*
 4 *fense under the terms and conditions specified by 40 U.S.C.*
 5 *485(h)(2)(A) and (B) and 10 U.S.C. 2667(d)(1)(B), to be*
 6 *merged with and to be available for the same time period*
 7 *and the same purposes as the appropriation to which trans-*
 8 *ferred.*

9 *SEC. 8036. The President shall include with each budg-*
 10 *et for a fiscal year submitted to the Congress under section*
 11 *1105 of title 31, United States Code, materials that shall*
 12 *identify clearly and separately the amounts requested in the*
 13 *budget for appropriation for that fiscal year for salaries*
 14 *and expenses related to administrative activities of the De-*
 15 *partment of Defense, the military departments, and the de-*
 16 *fense agencies.*

17 *SEC. 8037. Notwithstanding any other provision of*
 18 *law, funds available for “Drug Interdiction and Counter-*
 19 *Drug Activities, Defense” may be obligated for the Young*
 20 *Marines program.*

21 *(INCLUDING TRANSFER OF FUNDS)*

22 *SEC. 8038. During the current fiscal year, amounts*
 23 *contained in the Department of Defense Overseas Military*
 24 *Facility Investment Recovery Account established by section*
 25 *2921(c)(1) of the National Defense Authorization Act of*
 26 *1991 (Public Law 101–510; 10 U.S.C. 2687 note) shall be*

1 *available until expended for the payments specified by sec-*
2 *tion 2921(c)(2) of that Act.*

3 *SEC. 8039. (a) IN GENERAL.—Notwithstanding any*
4 *other provision of law, the Secretary of the Air Force may*
5 *convey at no cost to the Air Force, without consideration,*
6 *to Indian tribes located in the States of North Dakota,*
7 *South Dakota, Montana, and Minnesota relocatable mili-*
8 *tary housing units located at Grand Forks Air Force Base*
9 *and Minot Air Force Base that are excess to the needs of*
10 *the Air Force.*

11 *(b) PROCESSING OF REQUESTS.—The Secretary of the*
12 *Air Force shall convey, at no cost to the Air Force, military*
13 *housing units under subsection (a) in accordance with the*
14 *request for such units that are submitted to the Secretary*
15 *by the Operation Walking Shield Program on behalf of In-*
16 *dian tribes located in the States of North Dakota, South*
17 *Dakota, Montana, and Minnesota.*

18 *(c) RESOLUTION OF HOUSING UNIT CONFLICTS.—The*
19 *Operation Walking Shield program shall resolve any con-*
20 *flicts among requests of Indian tribes for housing units*
21 *under subsection (a) before submitting requests to the Sec-*
22 *retary of the Air Force under subsection (b).*

23 *(d) INDIAN TRIBE DEFINED.—In this section, the term*
24 *“Indian tribe” means any recognized Indian tribe included*
25 *on the current list published by the Secretary of the Interior*

1 *under section 104 of the Federally Recognized Indian Tribe*
2 *Act of 1994 (Public Law 103-454; 108 Stat. 4792; 25*
3 *U.S.C. 479a-1).*

4 *SEC. 8040. During the current fiscal year, appropria-*
5 *tions which are available to the Department of Defense for*
6 *operation and maintenance may be used to purchase items*
7 *having an investment item unit cost of not more than*
8 *\$100,000: Provided, That the \$100,000 limitation shall not*
9 *apply to amounts appropriated in this Act under the head-*
10 *ing "Operation and Maintenance, Defense-Wide" for ex-*
11 *penses related to certain classified activities.*

12 *SEC. 8041. (a) During the current fiscal year, none*
13 *of the appropriations or funds available to the Department*
14 *of Defense Working Capital Funds shall be used for the pur-*
15 *chase of an investment item for the purpose of acquiring*
16 *a new inventory item for sale or anticipated sale during*
17 *the current fiscal year or a subsequent fiscal year to cus-*
18 *tomers of the Department of Defense Working Capital*
19 *Funds if such an item would not have been chargeable to*
20 *the Department of Defense Business Operations Fund dur-*
21 *ing fiscal year 1994 and if the purchase of such an invest-*
22 *ment item would be chargeable during the current fiscal*
23 *year to appropriations made to the Department of Defense*
24 *for procurement.*

1 (b) *The fiscal year 2004 budget request for the Depart-*
2 *ment of Defense as well as all justification material and*
3 *other documentation supporting the fiscal year 2004 De-*
4 *partment of Defense budget shall be prepared and submitted*
5 *to the Congress on the basis that any equipment which was*
6 *classified as an end item and funded in a procurement ap-*
7 *propriation contained in this Act shall be budgeted for in*
8 *a proposed fiscal year 2004 procurement appropriation and*
9 *not in the supply management business area or any other*
10 *area or category of the Department of Defense Working*
11 *Capital Funds.*

12 *SEC. 8042. None of the funds appropriated by this Act*
13 *for programs of the Central Intelligence Agency shall re-*
14 *main available for obligation beyond the current fiscal year,*
15 *except for funds appropriated for the Reserve for Contin-*
16 *gencies, which shall remain available until September 30,*
17 *2004: Provided, That funds appropriated, transferred, or*
18 *otherwise credited to the Central Intelligence Agency Cen-*
19 *tral Services Working Capital Fund during this or any*
20 *prior or subsequent fiscal year shall remain available until*
21 *expended: Provided further, That any funds appropriated*
22 *or transferred to the Central Intelligence Agency for agent*
23 *operations and for covert action programs authorized by the*
24 *President under section 503 of the National Security Act*

1 of 1947, as amended, shall remain available until Sep-
2 tember 30, 2004.

3 *SEC. 8043. Notwithstanding any other provision of*
4 *law, funds made available in this Act for the Defense Intel-*
5 *ligence Agency may be used for the design, development, and*
6 *deployment of General Defense Intelligence Program intel-*
7 *ligence communications and intelligence information sys-*
8 *tems for the Services, the Unified and Specified Commands,*
9 *and the component commands.*

10 *SEC. 8044. Of the funds appropriated to the Depart-*
11 *ment of Defense under the heading “Operation and Mainte-*
12 *nance, Defense-Wide”, not less than \$10,000,000 shall be*
13 *made available only for the mitigation of environmental*
14 *impacts, including training and technical assistance to*
15 *tribes, related administrative support, the gathering of in-*
16 *formation, documenting of environmental damage, and de-*
17 *veloping a system for prioritization of mitigation and cost*
18 *to complete estimates for mitigation, on Indian lands re-*
19 *sulting from Department of Defense activities.*

20 *SEC. 8045. Of the funds made available in this Act,*
21 *not less than \$68,900,000 shall be available to maintain*
22 *an attrition reserve force of 18 B–52 aircraft, of which*
23 *\$3,700,000 shall be available from “Military Personnel, Air*
24 *Force”, \$40,000,000 shall be available from “Operation and*
25 *Maintenance, Air Force”, and \$25,200,000 shall be avail-*

1 able from “Aircraft Procurement, Air Force”: Provided,
2 That the Secretary of the Air Force shall maintain a total
3 force of 94 B-52 aircraft, including 18 attrition reserve air-
4 craft, during fiscal year 2003: Provided further, That the
5 Secretary of Defense shall include in the Air Force budget
6 request for fiscal year 2004 amounts sufficient to maintain
7 a B-52 force totaling 94 aircraft.

8 SEC. 8046. (a) None of the funds appropriated in this
9 Act may be expended by an entity of the Department of
10 Defense unless the entity, in expending the funds, complies
11 with the Buy American Act. For purposes of this subsection,
12 the term “Buy American Act” means title III of the Act
13 entitled “An Act making appropriations for the Treasury
14 and Post Office Departments for the fiscal year ending June
15 30, 1934, and for other purposes”, approved March 3, 1933
16 (41 U.S.C. 10a et seq.).

17 (b) If the Secretary of Defense determines that a person
18 has been convicted of intentionally affixing a label bearing
19 a “Made in America” inscription to any product sold in
20 or shipped to the United States that is not made in Amer-
21 ica, the Secretary shall determine, in accordance with sec-
22 tion 2410f of title 10, United States Code, whether the per-
23 son should be debarred from contracting with the Depart-
24 ment of Defense.

1 (c) *In the case of any equipment or products purchased*
2 *with appropriations provided under this Act, it is the sense*
3 *of the Congress that any entity of the Department of De-*
4 *fense, in expending the appropriation, purchase only Amer-*
5 *ican-made equipment and products, provided that Amer-*
6 *ican-made equipment and products are cost-competitive,*
7 *quality-competitive, and available in a timely fashion.*

8 *SEC. 8047. None of the funds appropriated by this Act*
9 *shall be available for a contract for studies, analysis, or*
10 *consulting services entered into without competition on the*
11 *basis of an unsolicited proposal unless the head of the activ-*
12 *ity responsible for the procurement determines—*

13 (1) *as a result of thorough technical evaluation,*
14 *only one source is found fully qualified to perform the*
15 *proposed work;*

16 (2) *the purpose of the contract is to explore an*
17 *unsolicited proposal which offers significant scientific*
18 *or technological promise, represents the product of*
19 *original thinking, and was submitted in confidence*
20 *by one source; or*

21 (3) *the purpose of the contract is to take advan-*
22 *tage of unique and significant industrial accomplish-*
23 *ment by a specific concern, or to insure that a new*
24 *product or idea of a specific concern is given finan-*
25 *cial support:*

1 *Provided, That this limitation shall not apply to contracts*
2 *in an amount of less than \$25,000, contracts related to im-*
3 *provements of equipment that is in development or produc-*
4 *tion, or contracts as to which a civilian official of the De-*
5 *partment of Defense, who has been confirmed by the Senate,*
6 *determines that the award of such contract is in the interest*
7 *of the national defense.*

8 *SEC. 8048. (a) Except as provided in subsections (b)*
9 *and (c), none of the funds made available by this Act may*
10 *be used—*

11 *(1) to establish a field operating agency; or*
12 *(2) to pay the basic pay of a member of the*
13 *Armed Forces or civilian employee of the department*
14 *who is transferred or reassigned from a headquarters*
15 *activity if the member or employee's place of duty re-*
16 *mains at the location of that headquarters.*

17 *(b) The Secretary of Defense or Secretary of a military*
18 *department may waive the limitations in subsection (a),*
19 *on a case-by-case basis, if the Secretary determines, and cer-*
20 *tifies to the Committees on Appropriations of the House of*
21 *Representatives and Senate that the granting of the waiver*
22 *will reduce the personnel requirements or the financial re-*
23 *quirements of the department.*

4 *SEC. 8049. Notwithstanding section 303 of Public Law*
5 *96-487 or any other provision of law, the Secretary of the*
6 *Navy is authorized to lease real and personal property at*
7 *Naval Air Facility, Adak, Alaska, pursuant to 10 U.S.C.*
8 *2667(f), for commercial, industrial or other purposes: Pro-*
9 *vided, That notwithstanding any other provision of law, the*
10 *Secretary of the Navy may remove hazardous materials*
11 *from facilities, buildings, and structures at Adak, Alaska,*
12 *and may demolish or otherwise dispose of such facilities,*
13 *buildings, and structures.*

SEC. 8050. *Of the funds appropriated in Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts and programs in the specified amounts:*

21 “Other Procurement, Army, 2001/2003”,
22 \$8,000,000;

23 “Other Procurement, Navy, 2001/2003”,
24 \$21,200,000;

25 “Missile Procurement, Army, 2002/2004”,
26 \$9,300,000;

1 *“Procurement of Ammunition, Army, 2002/*
2 *2004”, \$23,000,000;*

3 *“Other Procurement, Army, 2002/2004”,*
4 *\$26,200,000;*

5 *“Aircraft Procurement, Air Force, 2002/2004”,*
6 *\$23,500,000;*

7 *“Missile Procurement, Air Force, 2002/2004”,*
8 *\$18,000,000;*

9 *“Research, Development, Test and Evaluation,*
10 *Air Force, 2002/2003”, \$32,000,000; and*

11 *“Research and Development, Defense-Wide, 2002/*
12 *2003”, \$25,500,000.*

13 *SEC. 8051. None of the funds available in this Act may*
14 *be used to reduce the authorized positions for military (ci-*
15 *vilian) technicians of the Army National Guard, the Air*
16 *National Guard, Army Reserve and Air Force Reserve for*
17 *the purpose of applying any administratively imposed ci-*
18 *vilian personnel ceiling, freeze, or reduction on military (ci-*
19 *vilian) technicians, unless such reductions are a direct re-*
20 *sult of a reduction in military force structure.*

21 *SEC. 8052. None of the funds appropriated or other-*
22 *wise made available in this Act may be obligated or ex-*
23 *pended for assistance to the Democratic People’s Republic*
24 *of North Korea unless specifically appropriated for that*
25 *purpose.*

1 *SEC. 8053. During the current fiscal year, funds ap-*
2 *propriated in this Act are available to compensate members*
3 *of the National Guard for duty performed pursuant to a*
4 *plan submitted by a Governor of a State and approved by*
5 *the Secretary of Defense under section 112 of title 32,*
6 *United States Code: Provided, That during the performance*
7 *of such duty, the members of the National Guard shall be*
8 *under State command and control: Provided further, That*
9 *such duty shall be treated as full-time National Guard duty*
10 *for purposes of sections 12602(a)(2) and (b)(2) of title 10,*
11 *United States Code.*

12 *SEC. 8054. Funds appropriated in this Act for oper-*
13 *ation and maintenance of the Military Departments, Com-*
14 *batant Commands and Defense Agencies shall be available*
15 *for reimbursement of pay, allowances and other expenses*
16 *which would otherwise be incurred against appropriations*
17 *for the National Guard and Reserve when members of the*
18 *National Guard and Reserve provide intelligence or coun-*
19 *terintelligence support to Combatant Commands, Defense*
20 *Agencies and Joint Intelligence Activities, including the ac-*
21 *tivities and programs included within the National Foreign*
22 *Intelligence Program (NFIP), the Joint Military Intel-*
23 *ligence Program (JMIP), and the Tactical Intelligence and*
24 *Related Activities (TIARA) aggregate: Provided, That noth-*
25 *ing in this section authorizes deviation from established Re-*

1 *serve and National Guard personnel and training proce-*
2 *dures.*

3 *SEC. 8055. During the current fiscal year, none of the*
4 *funds appropriated in this Act may be used to reduce the*
5 *civilian medical and medical support personnel assigned to*
6 *military treatment facilities below the September 30, 2002*
7 *level: Provided, That the Service Surgeons General may*
8 *waive this section by certifying to the congressional defense*
9 *committees that the beneficiary population is declining in*
10 *some catchment areas and civilian strength reductions may*
11 *be consistent with responsible resource stewardship and*
12 *capitation-based budgeting.*

13 *SEC. 8056. (a) LIMITATION ON PENTAGON RENOVA-*
14 *TION COSTS.—Not later than the date each year on which*
15 *the President submits to Congress the budget under section*
16 *1105 of title 31, United States Code, the Secretary of De-*
17 *fense shall submit to Congress a certification that the total*
18 *cost for the planning, design, construction, and installation*
19 *of equipment for the renovation of wedges 2 through 5 of*
20 *the Pentagon Reservation, cumulatively, will not exceed*
21 *four times the total cost for the planning, design, construc-*
22 *tion, and installation of equipment for the renovation of*
23 *wedge 1.*

24 *(b) ANNUAL ADJUSTMENT.—For purposes of applying*
25 *the limitation in subsection (a), the Secretary shall adjust*

1 *the cost for the renovation of wedge 1 by any increase or*
 2 *decrease in costs attributable to economic inflation, based*
 3 *on the most recent economic assumptions issued by the Of-*
 4 *fice of Management and Budget for use in preparation of*
 5 *the budget of the United States under section 1104 of title*
 6 *31, United States Code.*

7 *(c) EXCLUSION OF CERTAIN COSTS.—For purposes of*
 8 *calculating the limitation in subsection (a), the total cost*
 9 *for wedges 2 through 5 shall not include—*

10 *(1) any repair or reconstruction cost incurred as*
 11 *a result of the terrorist attack on the Pentagon that*
 12 *occurred on September 11, 2001;*

13 *(2) any increase in costs for wedges 2 through 5*
 14 *attributable to compliance with new requirements of*
 15 *Federal, State, or local laws; and*

16 *(3) any increase in costs attributable to addi-*
 17 *tional security requirements that the Secretary of De-*
 18 *fense considers essential to provide a safe and secure*
 19 *working environment.*

20 *(d) CERTIFICATION COST REPORTS.—As part of the*
 21 *annual certification under subsection (a), the Secretary*
 22 *shall report the projected cost (as of the time of the certifi-*
 23 *cation) for—*

24 *(1) the renovation of each wedge, including the*
 25 *amount adjusted or otherwise excluded for such wedge*

1 under the authority of paragraphs (2) and (3) of sub-
2 section (c) for the period covered by the certification;
3 and

4 (2) the repair and reconstruction of wedges 1
5 and 2 in response to the terrorist attack on the Pen-
6 tagon that occurred on September 11, 2001.

7 (e) *DURATION OF CERTIFICATION REQUIREMENT.*—
8 The requirement to make an annual certification under
9 subsection (a) shall apply until the Secretary certifies to
10 Congress that the renovation of the Pentagon Reservation
11 is completed.

12 SEC. 8057. Notwithstanding any other provision of
13 law, that not more than 35 percent of funds provided in
14 this Act for environmental remediation may be obligated
15 under indefinite delivery/indefinite quantity contracts with
16 a total contract value of \$130,000,000 or higher.

17 SEC. 8058. (a) None of the funds available to the De-
18 partment of Defense for any fiscal year for drug interdic-
19 tion or counter-drug activities may be transferred to any
20 other department or agency of the United States except as
21 specifically provided in an appropriations law.

22 (b) None of the funds available to the Central Intel-
23 ligence Agency for any fiscal year for drug interdiction and
24 counter-drug activities may be transferred to any other de-

1 *partment or agency of the United States except as specifi-*
2 *cally provided in an appropriations law.*

3 *(TRANSFER OF FUNDS)*

4 *SEC. 8059. Appropriations available in this Act under*
5 *the heading “Operation and Maintenance, Defense-Wide”*
6 *for increasing energy and water efficiency in Federal build-*
7 *ings may, during their period of availability, be transferred*
8 *to other appropriations or funds of the Department of De-*
9 *fense for projects related to increasing energy and water ef-*
10 *iciency, to be merged with and to be available for the same*
11 *general purposes, and for the same time period, as the ap-*
12 *propriation or fund to which transferred.*

13 *SEC. 8060. None of the funds appropriated by this Act*
14 *may be used for the procurement of ball and roller bearings*
15 *other than those produced by a domestic source and of do-*
16 *mestic origin: Provided, That the Secretary of the military*
17 *department responsible for such procurement may waive*
18 *this restriction on a case-by-case basis by certifying in writ-*
19 *ing to the Committees on Appropriations of the House of*
20 *Representatives and the Senate, that adequate domestic*
21 *supplies are not available to meet Department of Defense*
22 *requirements on a timely basis and that such an acquisition*
23 *must be made in order to acquire capability for national*
24 *security purposes: Provided further, That this restriction*
25 *shall not apply to the purchase of “commercial items”, as*
26 *defined by section 4(12) of the Office of Federal Procure-*

1 *ment Policy Act, except that the restriction shall apply to*
2 *ball or roller bearings purchased as end items.*

3 *SEC. 8061. Notwithstanding any other provision of*
4 *law, funds available to the Department of Defense shall be*
5 *made available to provide transportation of medical sup-*
6 *plies and equipment, on a nonreimbursable basis, to Amer-*
7 *ican Samoa, and funds available to the Department of De-*
8 *fense shall be made available to provide transportation of*
9 *medical supplies and equipment, on a nonreimbursable*
10 *basis, to the Indian Health Service when it is in conjunc-*
11 *tion with a civil-military project.*

12 *SEC. 8062. None of the funds in this Act may be used*
13 *to purchase any supercomputer which is not manufactured*
14 *in the United States, unless the Secretary of Defense cer-*
15 *tifies to the congressional defense committees that such an*
16 *acquisition must be made in order to acquire capability for*
17 *national security purposes that is not available from*
18 *United States manufacturers.*

19 *SEC. 8063. Notwithstanding any other provision of*
20 *law, the Naval shipyards of the United States shall be eligi-*
21 *ble to participate in any manufacturing extension program*
22 *financed by funds appropriated in this or any other Act.*

23 *SEC. 8064. Notwithstanding any other provision of*
24 *law, each contract awarded by the Department of Defense*
25 *during the current fiscal year for construction or service*

1 performed in whole or in part in a State (as defined in
2 section 381(d) of title 10, United States Code) which is not
3 contiguous with another State and has an unemployment
4 rate in excess of the national average rate of unemployment
5 as determined by the Secretary of Labor, shall include a
6 provision requiring the contractor to employ, for the pur-
7 pose of performing that portion of the contract in such State
8 that is not contiguous with another State, individuals who
9 are residents of such State and who, in the case of any craft
10 or trade, possess or would be able to acquire promptly the
11 necessary skills: Provided, That the Secretary of Defense
12 may waive the requirements of this section, on a case-by-
13 case basis, in the interest of national security.

14 SEC. 8065. None of the funds made available in this
15 or any other Act may be used to pay the salary of any
16 officer or employee of the Department of Defense who ap-
17 proves or implements the transfer of administrative respon-
18 sibilities or budgetary resources of any program, project,
19 or activity financed by this Act to the jurisdiction of an-
20 other Federal agency not financed by this Act without the
21 express authorization of Congress: Provided, That this limi-
22 tation shall not apply to transfers of funds expressly pro-
23 vided for in Defense Appropriations Acts, or provisions of
24 Acts providing supplemental appropriations for the De-
25 partment of Defense.

1 *SEC. 8066. (a) LIMITATION ON TRANSFER OF DE-*
2 *FENSE ARTICLES AND SERVICES.—Notwithstanding any*
3 *other provision of law, none of the funds available to the*
4 *Department of Defense for the current fiscal year may be*
5 *obligated or expended to transfer to another nation or an*
6 *international organization any defense articles or services*
7 *(other than intelligence services) for use in the activities de-*
8 *scribed in subsection (b) unless the congressional defense*
9 *committees, the Committee on International Relations of*
10 *the House of Representatives, and the Committee on For-*
11 *eign Relations of the Senate are notified 15 days in advance*
12 *of such transfer.*

13 *(b) COVERED ACTIVITIES.—This section applies to—*

14 *(1) any international peacekeeping or peace-en-*
15 *forcement operation under the authority of chapter VI*
16 *or chapter VII of the United Nations Charter under*
17 *the authority of a United Nations Security Council*
18 *resolution; and*

19 *(2) any other international peacekeeping, peace-*
20 *enforcement, or humanitarian assistance operation.*

21 *(c) REQUIRED NOTICE.—A notice under subsection (a)*
22 *shall include the following:*

23 *(1) A description of the equipment, supplies, or*
24 *services to be transferred.*

1 (2) *A statement of the value of the equipment,*
 2 *supplies, or services to be transferred.*

3 (3) *In the case of a proposed transfer of equip-*
 4 *ment or supplies—*

5 (A) *a statement of whether the inventory re-*
 6 *quirements of all elements of the Armed Forces*
 7 *(including the reserve components) for the type*
 8 *of equipment or supplies to be transferred have*
 9 *been met; and*

10 (B) *a statement of whether the items pro-*
 11 *posed to be transferred will have to be replaced*
 12 *and, if so, how the President proposes to provide*
 13 *funds for such replacement.*

14 *SEC. 8067. To the extent authorized by subchapter VI*
 15 *of chapter 148 of title 10, United States Code, the Secretary*
 16 *of Defense may issue loan guarantees in support of United*
 17 *States defense exports not otherwise provided for: Provided,*
 18 *That the total contingent liability of the United States for*
 19 *guarantees issued under the authority of this section may*
 20 *not exceed \$15,000,000,000: Provided further, That the ex-*
 21 *posure fees charged and collected by the Secretary for each*
 22 *guarantee shall be paid by the country involved and shall*
 23 *not be financed as part of a loan guaranteed by the United*
 24 *States: Provided further, That the Secretary shall provide*
 25 *quarterly reports to the Committees on Appropriations,*

1 *Armed Services, and Foreign Relations of the Senate and*
2 *the Committees on Appropriations, Armed Services, and*
3 *International Relations in the House of Representatives on*
4 *the implementation of this program: Provided further, That*
5 *amounts charged for administrative fees and deposited to*
6 *the special account provided for under section 2540c(d) of*
7 *title 10, shall be available for paying the costs of adminis-*
8 *trative expenses of the Department of Defense that are at-*
9 *tributable to the loan guarantee program under subchapter*
10 *VI of chapter 148 of title 10, United States Code.*

11 *SEC. 8068. None of the funds available to the Depart-*
12 *ment of Defense under this Act shall be obligated or ex-*
13 *pended to pay a contractor under a contract with the De-*
14 *partment of Defense for costs of any amount paid by the*
15 *contractor to an employee when—*

16 *(1) such costs are for a bonus or otherwise in ex-*
17 *cess of the normal salary paid by the contractor to the*
18 *employee; and*

19 *(2) such bonus is part of restructuring costs asso-*
20 *ciated with a business combination.*

21 *SEC. 8069. (a) None of the funds appropriated or oth-*
22 *erwise made available in this Act may be used to transport*
23 *or provide for the transportation of chemical munitions or*
24 *agents to the Johnston Atoll for the purpose of storing or*
25 *demilitarizing such munitions or agents.*

1 (b) *The prohibition in subsection (a) shall not apply*
2 *to any obsolete World War II chemical munition or agent*
3 *of the United States found in the World War II Pacific*
4 *Theater of Operations.*

5 (c) *The President may suspend the application of sub-*
6 *section (a) during a period of war in which the United*
7 *States is a party.*

8 (INCLUDING TRANSFER OF FUNDS)

9 SEC. 8070. *During the current fiscal year, no more*
10 *than \$30,000,000 of appropriations made in this Act under*
11 *the heading “Operation and Maintenance, Defense-Wide”*
12 *may be transferred to appropriations available for the pay*
13 *of military personnel, to be merged with, and to be available*
14 *for the same time period as the appropriations to which*
15 *transferred, to be used in support of such personnel in con-*
16 *nection with support and services for eligible organizations*
17 *and activities outside the Department of Defense pursuant*
18 *to section 2012 of title 10, United States Code.*

19 SEC. 8071. *During the current fiscal year, in the case*
20 *of an appropriation account of the Department of Defense*
21 *for which the period of availability for obligation has ex-*
22 *pired or which has closed under the provisions of section*
23 *1552 of title 31, United States Code, and which has a nega-*
24 *tive unliquidated or unexpended balance, an obligation or*
25 *an adjustment of an obligation may be charged to any cur-*

1 *rent appropriation account for the same purpose as the ex-*
2 *pired or closed account if—*

3 *(1) the obligation would have been properly*
4 *chargeable (except as to amount) to the expired or*
5 *closed account before the end of the period of avail-*
6 *ability or closing of that account;*

7 *(2) the obligation is not otherwise properly*
8 *chargeable to any current appropriation account of*
9 *the Department of Defense; and*

10 *(3) in the case of an expired account, the obliga-*
11 *tion is not chargeable to a current appropriation of*
12 *the Department of Defense under the provisions of sec-*
13 *tion 1405(b)(8) of the National Defense Authorization*
14 *Act for Fiscal Year 1991, Public Law 101–510, as*
15 *amended (31 U.S.C. 1551 note): Provided, That in*
16 *the case of an expired account, if subsequent review*
17 *or investigation discloses that there was not in fact a*
18 *negative unliquidated or unexpended balance in the*
19 *account, any charge to a current account under the*
20 *authority of this section shall be reversed and re-*
21 *corded against the expired account: Provided further,*
22 *That the total amount charged to a current appro-*
23 *priation under this section may not exceed an*
24 *amount equal to 1 percent of the total appropriation*
25 *for that account.*

1 *SEC. 8072. Funds appropriated in title II of this Act*
2 *and for the Defense Health Program in title VI of this Act*
3 *for supervision and administration costs for facilities*
4 *maintenance and repair, minor construction, or design*
5 *projects may be obligated at the time the reimbursable order*
6 *is accepted by the performing activity: Provided, That for*
7 *the purpose of this section, supervision and administration*
8 *costs includes all in-house Government cost.*

9 *SEC. 8073. During the current fiscal year and here-*
10 *after, the Secretary of Defense may waive reimbursement*
11 *of the cost of conferences, seminars, courses of instruction,*
12 *or similar educational activities of the Asia-Pacific Center*
13 *for Security Studies for military officers and civilian offi-*
14 *cials of foreign nations if the Secretary determines that at-*
15 *tendance by such personnel, without reimbursement, is in*
16 *the national security interest of the United States: Pro-*
17 *vided, That costs for which reimbursement is waived pursu-*
18 *ant to this section shall be paid from appropriations avail-*
19 *able for the Asia-Pacific Center.*

20 *SEC. 8074. (a) Notwithstanding any other provision*
21 *of law, the Chief of the National Guard Bureau may permit*
22 *the use of equipment of the National Guard Distance Learn-*
23 *ing Project by any person or entity on a space-available,*
24 *reimbursable basis. The Chief of the National Guard Bu-*

1 *reau shall establish the amount of reimbursement for such*
2 *use on a case-by-case basis.*

3 *(b) Amounts collected under subsection (a) shall be*
4 *credited to funds available for the National Guard Distance*
5 *Learning Project and be available to defray the costs associ-*
6 *ated with the use of equipment of the project under that*
7 *subsection. Such funds shall be available for such purposes*
8 *without fiscal year limitation.*

9 *SEC. 8075. Using funds available by this Act or any*
10 *other Act, the Secretary of the Air Force, pursuant to a*
11 *determination under section 2690 of title 10, United States*
12 *Code, may implement cost-effective agreements for required*
13 *heating facility modernization in the Kaiserslautern Mili-*
14 *tary Community in the Federal Republic of Germany: Pro-*
15 *vided, That in the City of Kaiserslautern such agreements*
16 *will include the use of United States anthracite as the base*
17 *load energy for municipal district heat to the United States*
18 *Defense installations: Provided further, That at Landstuhl*
19 *Army Regional Medical Center and Ramstein Air Base,*
20 *furnished heat may be obtained from private, regional or*
21 *municipal services, if provisions are included for the con-*
22 *sideration of United States coal as an energy source.*

23 *SEC. 8076. None of the funds appropriated in title IV*
24 *of this Act may be used to procure end-items for delivery*
25 *to military forces for operational training, operational use*

1 *or inventory requirements: Provided, That this restriction*
2 *does not apply to end-items used in development, proto-*
3 *typing, and test activities preceding and leading to accept-*
4 *ance for operational use: Provided further, That this restric-*
5 *tion does not apply to programs funded within the National*
6 *Foreign Intelligence Program: Provided further, That the*
7 *Secretary of Defense may waive this restriction on a case-*
8 *by-case basis by certifying in writing to the Committees on*
9 *Appropriations of the House of Representatives and the*
10 *Senate that it is in the national security interest to do so.*

11 *SEC. 8077. None of the funds made available in this*
12 *Act may be used to approve or license the sale of the F-*
13 *22 advanced tactical fighter to any foreign government.*

14 *SEC. 8078. (a) The Secretary of Defense may, on a*
15 *case-by-case basis, waive with respect to a foreign country*
16 *each limitation on the procurement of defense items from*
17 *foreign sources provided in law if the Secretary determines*
18 *that the application of the limitation with respect to that*
19 *country would invalidate cooperative programs entered into*
20 *between the Department of Defense and the foreign country,*
21 *or would invalidate reciprocal trade agreements for the pro-*
22 *curement of defense items entered into under section 2531*
23 *of title 10, United States Code, and the country does not*
24 *discriminate against the same or similar defense items pro-*
25 *duced in the United States for that country.*

1 (b) Subsection (a) applies with respect to—

2 (1) contracts and subcontracts entered into on or
3 after the date of the enactment of this Act; and

4 (2) options for the procurement of items that are
5 exercised after such date under contracts that are en-
6 tered into before such date if the option prices are ad-
7 justed for any reason other than the application of a
8 waiver granted under subsection (a).

9 (c) Subsection (a) does not apply to a limitation re-
10 garding construction of public vessels, ball and roller bear-
11 ings, food, and clothing or textile materials as defined by
12 section 11 (chapters 50–65) of the Harmonized Tariff
13 Schedule and products classified under headings 4010,
14 4202, 4203, 6401 through 6406, 6505, 7019, 7218 through
15 7229, 7304.41 through 7304.49, 7306.40, 7502 through
16 7508, 8105, 8108, 8109, 8211, 8215, and 9404.

17 SEC. 8079. Funds made available to the Civil Air Pa-
18 trol in this Act under the heading “Drug Interdiction and
19 Counter-Drug Activities, Defense” may be used for the Civil
20 Air Patrol Corporation’s counterdrug program, including
21 its demand reduction program involving youth programs,
22 as well as operational and training drug reconnaissance
23 missions for Federal, State, and local government agencies;
24 and for equipment needed for mission support or perform-
25 ance: Provided, That the Department of the Air Force

1 *should waive reimbursement from the Federal, State, and*
2 *local government agencies for the use of these funds.*

3 *SEC. 8080. (a) PROHIBITION.—None of the funds made*
4 *available by this Act may be used to support any training*
5 *program involving a unit of the security forces of a foreign*
6 *country if the Secretary of Defense has received credible in-*
7 *formation from the Department of State that the unit has*
8 *committed a gross violation of human rights, unless all nec-*
9 *essary corrective steps have been taken.*

10 *(b) MONITORING.—The Secretary of Defense, in con-*
11 *sultation with the Secretary of State, shall ensure that prior*
12 *to a decision to conduct any training program referred to*
13 *in subsection (a), full consideration is given to all credible*
14 *information available to the Department of State relating*
15 *to human rights violations by foreign security forces.*

16 *(c) WAIVER.—The Secretary of Defense, after consulta-*
17 *tion with the Secretary of State, may waive the prohibition*
18 *in subsection (a) if he determines that such waiver is re-*
19 *quired by extraordinary circumstances.*

20 *(d) REPORT.—Not more than 15 days after the exercise*
21 *of any waiver under subsection (c), the Secretary of Defense*
22 *shall submit a report to the congressional defense commit-*
23 *tees describing the extraordinary circumstances, the purpose*
24 *and duration of the training program, the United States*
25 *forces and the foreign security forces involved in the train-*

1 ing program, and the information relating to human rights
 2 violations that necessitates the waiver.

3 *SEC. 8081. The Secretary of Defense, in coordination*
 4 *with the Secretary of Health and Human Services, may*
 5 *carry out a program to distribute surplus dental equipment*
 6 *of the Department of Defense, at no cost to the Department*
 7 *of Defense, to Indian Health Service facilities and to feder-*
 8 *ally-qualified health centers (within the meaning of section*
 9 *1905(l)(2)(B) of the Social Security Act (42 U.S.C.*
 10 *1396d(l)(2)(B))).*

11 *SEC. 8082. The total amount appropriated in this Act*
 12 *is hereby reduced by \$338,000,000 to reflect savings from*
 13 *favorable foreign currency fluctuations, to be derived as fol-*
 14 *lows:*

15 *“Military Personnel, Army”, \$80,000,000;*
 16 *“Military Personnel, Navy”, \$6,500,000;*
 17 *“Military Personnel, Marine Corps”,*
 18 *\$11,000,000;*
 19 *“Military Personnel, Air Force”, \$29,000,000;*
 20 *“Operation and Maintenance, Army”,*
 21 *\$102,000,000;*
 22 *“Operation and Maintenance, Navy”,*
 23 *\$21,500,000;*
 24 *“Operation and Maintenance, Marine Corps”,*
 25 *\$2,000,000;*

1 “Operation and Maintenance, Air Force”,
2 \$46,000,000; and

3 “Operation and Maintenance, Defense-Wide”,
4 \$40,000,000.

5 *SEC. 8083. None of the funds appropriated or made*
6 *available in this Act to the Department of the Navy shall*
7 *be used to develop, lease or procure the T-AKE class of ships*
8 *unless the main propulsion diesel engines and propulsors*
9 *are manufactured in the United States by a domestically*
10 *operated entity: Provided, That the Secretary of Defense*
11 *may waive this restriction on a case-by-case basis by certi-*
12 *fying in writing to the Committees on Appropriations of*
13 *the House of Representatives and the Senate that adequate*
14 *domestic supplies are not available to meet Department of*
15 *Defense requirements on a timely basis and that such an*
16 *acquisition must be made in order to acquire capability for*
17 *national security purposes or there exists a significant cost*
18 *or quality difference.*

19 *SEC. 8084. None of the funds appropriated or other-*
20 *wise made available by this or other Department of Defense*
21 *Appropriations Acts may be obligated or expended for the*
22 *purpose of performing repairs or maintenance to military*
23 *family housing units of the Department of Defense, includ-*
24 *ing areas in such military family housing units that may*

1 *be used for the purpose of conducting official Department*
2 *of Defense business.*

3 *SEC. 8085. Notwithstanding any other provision of*
4 *law, funds appropriated in this Act under the heading “Re-*
5 *search, Development, Test and Evaluation, Defense-Wide”*
6 *for any advanced concept technology demonstration project*
7 *may only be obligated 30 days after a report, including a*
8 *description of the project and its estimated annual and total*
9 *cost, has been provided in writing to the congressional de-*
10 *fense committees: Provided, That the Secretary of Defense*
11 *may waive this restriction on a case-by-case basis by certi-*
12 *fying to the congressional defense committees that it is in*
13 *the national interest to do so.*

14 *SEC. 8086. Notwithstanding any other provision of*
15 *law, for the purpose of establishing all Department of De-*
16 *fense policies governing the provision of care provided by*
17 *and financed under the military health care system’s case*
18 *management program under 10 U.S.C. 1079(a)(17), the*
19 *term “custodial care” shall be defined as care designed es-*
20 *entially to assist an individual in meeting the activities*
21 *of daily living and which does not require the supervision*
22 *of trained medical, nursing, paramedical or other specially*
23 *trained individuals: Provided, That the case management*
24 *program shall provide that members and retired members*
25 *of the military services, and their dependents and survivors,*

1 *have access to all medically necessary health care through*
 2 *the health care delivery system of the military services re-*
 3 *gardless of the health care status of the person seeking the*
 4 *health care: Provided further, That the case management*
 5 *program shall be the primary obligor for payment of medi-*
 6 *cally necessary services and shall not be considered as sec-*
 7 *ondarily liable to title XIX of the Social Security Act, other*
 8 *welfare programs or charity based care.*

9 *SEC. 8087. During the current fiscal year, refunds at-*
 10 *tributable to the use of the Government travel card, refunds*
 11 *attributable to the use of the Government Purchase Card*
 12 *and refunds attributable to official Government travel ar-*
 13 *ranged by Government Contracted Travel Management*
 14 *Centers may be credited to operation and maintenance ac-*
 15 *counts of the Department of Defense which are current when*
 16 *the refunds are received.*

17 *SEC. 8088. (a) REGISTERING FINANCIAL MANAGE-*
 18 *MENT INFORMATION TECHNOLOGY SYSTEMS WITH DOD*
 19 *CHIEF INFORMATION OFFICER.—None of the funds appro-*
 20 *priated in this Act may be used for a mission critical or*
 21 *mission essential financial management information tech-*
 22 *nology system (including a system funded by the defense*
 23 *working capital fund) that is not registered with the Chief*
 24 *Information Officer of the Department of Defense. A system*
 25 *shall be considered to be registered with that officer upon*

1 *the furnishing to that officer of notice of the system, together*
 2 *with such information concerning the system as the Sec-*
 3 *retary of Defense may prescribe. A financial management*
 4 *information technology system shall be considered a mission*
 5 *critical or mission essential information technology system*
 6 *as defined by the Under Secretary of Defense (Comptroller).*

7 *(b) CERTIFICATIONS AS TO COMPLIANCE WITH FINAN-*
 8 *CIAL MANAGEMENT MODERNIZATION PLAN.—*

9 *(1) During the current fiscal year, a financial*
 10 *management major automated information system*
 11 *may not receive Milestone A approval, Milestone B*
 12 *approval, or full rate production, or their equivalent,*
 13 *within the Department of Defense until the Under*
 14 *Secretary of Defense (Comptroller) certifies, with re-*
 15 *spect to that milestone, that the system is being devel-*
 16 *oped and managed in accordance with the Depart-*
 17 *ment's Financial Management Modernization Plan.*
 18 *The Under Secretary of Defense (Comptroller) may*
 19 *require additional certifications, as appropriate, with*
 20 *respect to any such system.*

21 *(2) The Chief Information Officer shall provide*
 22 *the congressional defense committees timely notifica-*
 23 *tion of certifications under paragraph (1).*

24 *(c) CERTIFICATIONS AS TO COMPLIANCE WITH*
 25 *CLINGER-COHEN ACT.—(1) During the current fiscal year,*

1 *a major automated information system may not receive*
2 *Milestone A approval, Milestone B approval, or full rate*
3 *production approval, or their equivalent, within the De-*
4 *partment of Defense until the Chief Information Officer cer-*
5 *tifies, with respect to that milestone, that the system is being*
6 *developed in accordance with the Clinger-Cohen Act of 1996*
7 *(40 U.S.C. 1401 et seq.). The Chief Information Officer may*
8 *require additional certifications, as appropriate, with re-*
9 *spect to any such system.*

10 *(2) The Chief Information Officer shall provide the*
11 *congressional defense committees timely notification of cer-*
12 *tifications under paragraph (1). Each such notification*
13 *shall include, at a minimum, the funding baseline and*
14 *milestone schedule for each system covered by such a certifi-*
15 *cation and confirmation that the following steps have been*
16 *taken with respect to the system:*

17 *(A) Business process reengineering.*

18 *(B) An analysis of alternatives.*

19 *(C) An economic analysis that includes a calculation*
20 *of the return on investment.*

21 *(D) Performance measures.*

22 *(E) An information assurance strategy consistent with*
23 *the Department's Global Information Grid.*

24 *(d) DEFINITIONS.—For purposes of this section:*

1 (1) *The term “Chief Information Officer” means*
2 *the senior official of the Department of Defense des-*
3 *ignated by the Secretary of Defense pursuant to sec-*
4 *tion 3506 of title 44, United States Code.*

5 (2) *The term “information technology system”*
6 *has the meaning given the term “information tech-*
7 *nology” in section 5002 of the Clinger-Cohen Act of*
8 *1996 (40 U.S.C. 1401).*

9 (3) *The term “major automated information sys-*
10 *tem” has the meaning given that term in Department*
11 *of Defense Directive 5000.1.*

12 *SEC. 8089. During the current fiscal year, none of the*
13 *funds available to the Department of Defense may be used*
14 *to provide support to another department or agency of the*
15 *United States if such department or agency is more than*
16 *90 days in arrears in making payment to the Department*
17 *of Defense for goods or services previously provided to such*
18 *department or agency on a reimbursable basis: Provided,*
19 *That this restriction shall not apply if the department is*
20 *authorized by law to provide support to such department*
21 *or agency on a nonreimbursable basis, and is providing the*
22 *requested support pursuant to such authority: Provided fur-*
23 *ther, That the Secretary of Defense may waive this restric-*
24 *tion on a case-by-case basis by certifying in writing to the*
25 *Committees on Appropriations of the House of Representa-*

1 *tives and the Senate that it is in the national security inter-*
2 *est to do so.*

3 *SEC. 8090. None of the funds provided in this Act may*
4 *be used to transfer to any nongovernmental entity ammuni-*
5 *tion held by the Department of Defense that has a center-*
6 *fire cartridge and a United States military nomenclature*
7 *designation of “armor penetrator”, “armor piercing (AP)”,*
8 *“armor piercing incendiary (API)”, or “armor-piercing in-*
9 *cendiary-tracer (API-T)”, except to an entity performing*
10 *demilitarization services for the Department of Defense*
11 *under a contract that requires the entity to demonstrate to*
12 *the satisfaction of the Department of Defense that armor*
13 *piercing projectiles are either: (1) rendered incapable of*
14 *reuse by the demilitarization process; or (2) used to manu-*
15 *facture ammunition pursuant to a contract with the De-*
16 *partment of Defense or the manufacture of ammunition for*
17 *export pursuant to a License for Permanent Export of Un-*
18 *classified Military Articles issued by the Department of*
19 *State.*

20 *SEC. 8091. Notwithstanding any other provision of*
21 *law, the Chief of the National Guard Bureau, or his des-*
22 *ignee, may waive payment of all or part of the consider-*
23 *ation that otherwise would be required under 10 U.S.C.*
24 *2667, in the case of a lease of personal property for a period*
25 *not in excess of 1 year to any organization specified in 32*

1 *U.S.C. 508(d), or any other youth, social, or fraternal non-*
2 *profit organization as may be approved by the Chief of the*
3 *National Guard Bureau, or his designee, on a case-by-case*
4 *basis.*

5 *SEC. 8092. None of the funds appropriated by this Act*
6 *shall be used for the support of any nonappropriated funds*
7 *activity of the Department of Defense that procures malt*
8 *beverages and wine with nonappropriated funds for resale*
9 *(including such alcoholic beverages sold by the drink) on*
10 *a military installation located in the United States unless*
11 *such malt beverages and wine are procured within that*
12 *State, or in the case of the District of Columbia, within*
13 *the District of Columbia, in which the military installation*
14 *is located: Provided, That in a case in which the military*
15 *installation is located in more than one State, purchases*
16 *may be made in any State in which the installation is lo-*
17 *cated: Provided further, That such local procurement re-*
18 *quirements for malt beverages and wine shall apply to all*
19 *alcoholic beverages only for military installations in States*
20 *which are not contiguous with another State: Provided fur-*
21 *ther, That alcoholic beverages other than wine and malt bev-*
22 *erages, in contiguous States and the District of Columbia*
23 *shall be procured from the most competitive source, price*
24 *and other factors considered.*

1 *SEC. 8093. During the current fiscal year and here-*
2 *after, under regulations prescribed by the Secretary of De-*
3 *fense, the Center of Excellence for Disaster Management and*
4 *Humanitarian Assistance may also pay, or authorize pay-*
5 *ment for, the expenses of providing or facilitating education*
6 *and training for appropriate military and civilian per-*
7 *sonnel of foreign countries in disaster management, peace*
8 *operations, and humanitarian assistance.*

9 *SEC. 8094. (a) The Department of Defense is author-*
10 *ized to enter into agreements with the Department of Vet-*
11 *erans Affairs and federally-funded health agencies pro-*
12 *viding services to Native Hawaiians for the purpose of es-*
13 *tablishing a partnership similar to the Alaska Federal*
14 *Health Care Partnership, in order to maximize Federal re-*
15 *sources in the provision of health care services by federally-*
16 *funded health agencies, applying telemedicine technologies.*
17 *For the purpose of this partnership, Native Hawaiians*
18 *shall have the same status as other Native Americans who*
19 *are eligible for the health care services provided by the In-*
20 *dian Health Service.*

21 *(b) The Department of Defense is authorized to develop*
22 *a consultation policy, consistent with Executive Order No.*
23 *13084 (issued May 14, 1998), with Native Hawaiians for*
24 *the purpose of assuring maximum Native Hawaiian par-*
25 *ticipation in the direction and administration of govern-*

1 *mental services so as to render those services more respon-*
2 *sive to the needs of the Native Hawaiian community.*

3 *(c) For purposes of this section, the term “Native Ha-*
4 *waiian” means any individual who is a descendant of the*
5 *aboriginal people who, prior to 1778, occupied and exer-*
6 *cised sovereignty in the area that now comprises the State*
7 *of Hawaii.*

8 *SEC. 8095. Of the amounts appropriated in this Act*
9 *under the heading “Research, Development, Test and Eval-*
10 *uation, Defense-Wide”, \$146,000,000 shall be made avail-*
11 *able for the Arrow missile defense program: Provided, That*
12 *of this amount, \$66,000,000 shall be available for the pur-*
13 *pose of continuing the Arrow System Improvement Pro-*
14 *gram (ASIP), \$10,000,000 shall be available for continuing*
15 *the Enhanced Arrow Deployability Program, and*
16 *\$70,000,000 shall be available for the purpose of producing*
17 *Arrow missile components in the United States and Arrow*
18 *missile components and missiles in Israel to meet Israel’s*
19 *defense requirements, consistent with each nation’s laws,*
20 *regulations and procedures: Provided further, That funds*
21 *made available under this provision for production of mis-*
22 *siles and missile components may be transferred to appro-*
23 *priations available for the procurement of weapons and*
24 *equipment, to be merged with and to be available for the*
25 *same time period and the same purposes as the appropria-*

1 *tion to which transferred: Provided further, That the trans-*
 2 *fer authority provided under this provision is in addition*
 3 *to any other transfer authority contained in this Act.*

4 *SEC. 8096. Funds available to the Department of De-*
 5 *fense for the Global Positioning System during the current*
 6 *fiscal year may be used to fund civil requirements associ-*
 7 *ated with the satellite and ground control segments of such*
 8 *system's modernization program.*

9 *(INCLUDING TRANSFER OF FUNDS)*

10 *SEC. 8097. Of the amounts appropriated in this Act*
 11 *under the heading, "Operation and Maintenance, Defense-*
 12 *Wide", \$68,000,000 shall remain available until expended:*
 13 *Provided, That notwithstanding any other provision of law,*
 14 *the Secretary of Defense is authorized to transfer such funds*
 15 *to other activities of the Federal Government.*

16 *SEC. 8098. Section 8106 of the Department of Defense*
 17 *Appropriations Act, 1997 (titles I through VIII of the mat-*
 18 *ter under subsection 101(b) of Public Law 104-208; 110*
 19 *Stat. 3009-111; 10 U.S.C. 113 note) shall continue in effect*
 20 *to apply to disbursements that are made by the Department*
 21 *of Defense in fiscal year 2003.*

22 *SEC. 8099. Of the funds made available under the*
 23 *heading "Operation and Maintenance, Air Force",*
 24 *\$8,000,000 shall be available to realign railroad track on*
 25 *Elmendorf Air Force Base and Fort Richardson.*

1 *SEC. 8100. Notwithstanding any other provision of*
 2 *this Act, the total amount appropriated in this Act is here-*
 3 *by reduced by \$850,000,000, to reflect savings to be achieved*
 4 *from business process reforms, management efficiencies, and*
 5 *procurement of administrative and management support:*
 6 *Provided, That none of the funds provided in this Act may*
 7 *be used for consulting and advisory services for legislative*
 8 *affairs and legislative liaison functions.*

9 *(INCLUDING TRANSFER OF FUNDS)*

10 *SEC. 8101. Of the amounts appropriated in this Act*
 11 *under the heading “Shipbuilding and Conversion, Navy”,*
 12 *\$1,481,955,000 shall be available until September 30, 2003,*
 13 *to fund prior year shipbuilding cost increases: Provided,*
 14 *That upon enactment of this Act, the Secretary of the Navy*
 15 *shall transfer such funds to the following appropriations in*
 16 *the amounts specified: Provided further, That the amounts*
 17 *transferred shall be merged with and be available for the*
 18 *same purposes as the appropriations to which transferred:*

19 *To:*

20 *Under the heading, “Shipbuilding and Con-*
 21 *version, Navy, 1996/03”:*

22 *LPD-17 Amphibious Transport Dock*
 23 *Ship Program, \$300,681,000;*

24 *Under the heading, “Shipbuilding and Con-*
 25 *version, Navy, 1998/03”:*

1 *DDG-51 Destroyer Program,*

2 *\$76,100,000;*

3 *New SSN, \$190,882,000;*

4 *Under the heading, “Shipbuilding and Con-*

5 *version, Navy, 1999/03”:*

6 *DDG-51 Destroyer Program,*

7 *\$93,736,000;*

8 *LPD-17 Amphibious Transport Dock*

9 *Ship Program, \$82,000,000;*

10 *New SSN, \$292,000,000;*

11 *Under the heading, “Shipbuilding and Con-*

12 *version, Navy, 2000/03”:*

13 *DDG-51 Destroyer Program,*

14 *\$72,924,000;*

15 *LPD-17 Amphibious Transport Dock*

16 *Ship Program, \$187,000,000;*

17 *Under the heading, “Shipbuilding and Con-*

18 *version, Navy, 2001/03”:*

19 *DDG-51 Destroyer Program,*

20 *\$81,700,000;*

21 *New SSN, \$6,932,000; and*

22 *Under the heading, “Shipbuilding and Con-*

23 *version, Navy, 2002/03”:*

24 *DDG-51 Destroyer Program,*

25 *\$98,000,000.*

1 *SEC. 8102. The Secretary of the Navy may settle, or*
 2 *compromise, and pay any and all admiralty claims under*
 3 *10 U.S.C. 7622 arising out of the collision involving the*
 4 *U.S.S. GREENEVILLE and the EHIME MARU, in any*
 5 *amount and without regard to the monetary limitations in*
 6 *subsections (a) and (b) of that section: Provided, That such*
 7 *payments shall be made from funds available to the Depart-*
 8 *ment of the Navy for operation and maintenance.*

9 *(TRANSFER OF FUNDS)*

10 *SEC. 8103. Upon enactment of this Act, the Secretary*
 11 *of the Navy shall make the following transfers of funds: Pro-*
 12 *vided, That the amounts transferred shall be available for*
 13 *the same purpose as the appropriations to which trans-*
 14 *ferred, and for the same time period as the appropriation*
 15 *from which transferred: Provided further, That the amounts*
 16 *shall be transferred between the following appropriations in*
 17 *the amount specified:*

18 *From:*

19 *Under the heading, “Shipbuilding and Con-*
 20 *version, Navy, 1994/2003”:*

21 *DDG-51 Destroyer program,*

22 *\$7,900,000;*

23 *LHD-1 Amphibious Assault Ship pro-*
 24 *gram, \$6,500,000;*

25 *Oceanographic Ship program,*

26 *\$3,416,000;*

1 *Craft, outfitting, post delivery, first*
2 *destination transportation, \$1,800,000;*

3 *Mine warfare command and control*
4 *ship, \$604,000;*

5 *To:*

6 *Under the heading, “Shipbuilding and Con-*
7 *version, Navy, 1999/2003”:*

8 *LPD-17 Amphibious Transport Dock*
9 *Ship program, \$20,220,000.*

10 *SEC. 8104. Notwithstanding section 229(a) of the So-*
11 *cial Security Act, no wages shall be deemed to have been*
12 *paid to any individual pursuant to that section in any cal-*
13 *endar year after 2001.*

14 *SEC. 8105. Up to \$3,000,000 of the funds appropriated*
15 *under the heading “Operation and Maintenance, Navy” in*
16 *this Act for the Pacific Missile Range Facility may be made*
17 *available to contract for the repair, maintenance, and oper-*
18 *ation of adjacent off-base water, drainage, and flood control*
19 *systems critical to base operations.*

20 *SEC. 8106. Notwithstanding any other provision of*
21 *law or regulation, the Secretary of Defense may exercise the*
22 *provisions of 38 U.S.C. 7403(g) for occupations listed in*
23 *38 U.S.C. 7403(a)(2) as well as the following:*

24 *Pharmacists, Audiologists, and Dental Hygien-*
25 *ists.*

1 (A) The requirements of 38 U.S.C.
2 7403(g)(1)(A) shall apply.

3 (B) The limitations of 38 U.S.C.
4 7403(g)(1)(B) shall not apply.

5 *SEC. 8107. Of the total amount appropriated by this*
6 *Act under the heading “Operation and Maintenance, De-*
7 *fense-Wide”, \$5,000,000 may be available for payments*
8 *under section 363 of the Floyd D. Spence National Defense*
9 *Authorization Act for Fiscal Year 2001 (as enacted into law*
10 *by Public Law 106–398; 114 Stat. 1654A–77).*

11 *SEC. 8108. In addition to funds made available else-*
12 *where in this Act \$5,000,000 is hereby appropriated and*
13 *shall remain available until expended to provide assistance,*
14 *by grant or otherwise (such as, but not limited to, the provi-*
15 *sion of funds for repairs, maintenance, and/or for the pur-*
16 *chase of information technology, text books, teaching re-*
17 *sources), to public schools that have unusually high con-*
18 *centrations of special needs military dependents enrolled:*
19 *Provided, That in selecting school systems to receive such*
20 *assistance, special consideration shall be given to school sys-*
21 *tems in States that are considered overseas assignments,*
22 *and all schools within these school systems shall be eligible*
23 *for assistance: Provided further, That up to \$2,000,000 shall*
24 *be available for the Department of Defense to establish a*
25 *non-profit trust fund to assist in the public-private funding*

1 of public school repair and maintenance projects, or provide
 2 directly to non-profit organizations who in return will use
 3 these monies to provide assistance in the form of repair,
 4 maintenance, or renovation to public school systems that
 5 have high concentrations of special needs military depend-
 6 ents and are located in States that are considered overseas
 7 assignments, and of which 2 percent shall be available to
 8 support the administration and execution of the funds: Pro-
 9 vided further, That to the extent a federal agency provides
 10 this assistance, by contract, grant, or otherwise, it may ac-
 11 cept and expend non-federal funds in combination with
 12 these federal funds to provide assistance for the authorized
 13 purpose, if the non-federal entity requests such assistance
 14 and the non-federal funds are provided on a reimbursable
 15 basis.

16 SEC. 8109. Notwithstanding any other provision in
 17 this Act, the total amount appropriated in this Act is here-
 18 by reduced by \$400,000,000, to reduce cost growth in infor-
 19 mation technology development, to be distributed as follows:

20 “Operation and Maintenance, Defense-Wide”,
 21 \$19,500,000;

22 “Other Procurement, Army”, \$53,200,000;

23 “Other Procurement, Navy”, \$20,600,000;

24 “Procurement, Marine Corps”, \$3,400,000;

25 “Other Procurement, Air Force”, \$12,000,000;

1 *“Procurement, Defense-Wide”, \$3,500,000;*
2 *“Research, Development, Test and Evaluation,*
3 *Army”, \$17,700,000;*
4 *“Research, Development, Test and Evaluation,*
5 *Navy”, \$25,600,000;*
6 *“Research, Development, Test and Evaluation,*
7 *Air Force”, \$27,200,000;*
8 *“Research, Development, Test and Evaluation,*
9 *Defense-Wide”, \$36,600,000;*
10 *“Defense Working Capital Funds”, \$148,600,000;*
11 *and*
12 *“Defense Health Program”, \$32,100,000.*

13 *SEC. 8110. In addition to the amounts appropriated*
14 *or otherwise made available in this Act, \$4,000,000, to re-*
15 *main available until September 30, 2003, is hereby appro-*
16 *priated to the Department of Defense: Provided, That the*
17 *Secretary of Defense shall make a grant in the amount of*
18 *\$4,000,000 to the American Red Cross for Armed Forces*
19 *Emergency Services.*

20 *SEC. 8111. None of the funds appropriated in this Act*
21 *under the heading “Overseas Contingency Operations*
22 *Transfer Fund” may be transferred or obligated for Depart-*
23 *ment of Defense expenses not directly related to the conduct*
24 *of overseas contingencies: Provided, That the Secretary of*
25 *Defense shall submit a report no later than 30 days after*

1 *the end of each fiscal quarter to the Committees on Appro-*
2 *priations of the Senate and House of Representatives that*
3 *details any transfer of funds from the “Overseas Contingency Operations Transfer Fund”:* *Provided further, That*
4 *the report shall explain any transfer for the maintenance*
5 *of real property, pay of civilian personnel, base operations*
6 *support, and weapon, vehicle or equipment maintenance.*

8 *SEC. 8112. For purposes of section 1553(b) of title 31,*
9 *United States Code, any subdivision of appropriations*
10 *made in this Act under the heading “Shipbuilding and*
11 *Conversion, Navy” shall be considered to be for the same*
12 *purpose as any subdivision under the heading “Ship-*
13 *building and Conversion, Navy” appropriations in any*
14 *prior year, and the 1 percent limitation shall apply to the*
15 *total amount of the appropriation.*

16 *SEC. 8113. The budget of the President for fiscal year*
17 *2004 submitted to the Congress pursuant to section 1105*
18 *of title 31, United States Code, and each annual budget re-*
19 *quest thereafter, shall include separate budget justification*
20 *documents for costs of United States Armed Forces’ partici-*
21 *pation in contingency operations for the Military Personnel*
22 *accounts, the Overseas Contingency Operations Transfer*
23 *Fund, the Operation and Maintenance accounts, and the*
24 *Procurement accounts: Provided, That these budget jus-*
25 *tification documents shall include a description of the fund-*

1 *ing requested for each anticipated contingency operation,*
 2 *for each military service, to include active duty and Guard*
 3 *and Reserve components, and for each appropriation ac-*
 4 *count: Provided further, That these documents shall include*
 5 *estimated costs for each element of expense or object class,*
 6 *a reconciliation of increases and decreases for ongoing con-*
 7 *tingency operations, and programmatic data including, but*
 8 *not limited to troop strength for each active duty and*
 9 *Guard and Reserve component, and estimates of the major*
 10 *weapons systems deployed in support of each contingency:*
 11 *Provided further, That these documents shall include budget*
 12 *exhibits OP-5 and OP-32, as defined in the Department*
 13 *of Defense Financial Management Regulation, for the Over-*
 14 *seas Contingency Operations Transfer Fund for fiscal years*
 15 *2002 and 2003.*

16 *SEC. 8114. Notwithstanding any other provision in*
 17 *this Act, the total amount appropriated in this Act is here-*
 18 *by reduced by \$59,260,000, to reduce cost growth in travel,*
 19 *to be distributed as follows:*

20 *“Operation and Maintenance, Army”,*
 21 *\$14,000,000;*

22 *“Operation and Maintenance, Navy”,*
 23 *\$9,000,000;*

24 *“Operation and Maintenance, Marine Corps”,*
 25 *\$10,000,000;*

1 “Operation and Maintenance, Air Force”,
2 \$15,000,000; and
3 “Operation and Maintenance, Defense-wide”,
4 \$11,260,000.

5 *SEC. 8115. None of the funds in this Act may be used*
6 *for research, development, test, evaluation, procurement or*
7 *deployment of nuclear armed interceptors of a missile de-*
8 *fense system.*

9 *SEC. 8116. (a) In addition to the amounts appro-*
10 *priated or otherwise made available in this Act,*
11 *\$814,300,000 is hereby appropriated to the Department of*
12 *Defense for whichever of the following purposes the Presi-*
13 *dent determines to be in the national security interests of*
14 *the United States:*

15 (1) *research, development, test and evaluation for*
16 *ballistic missile defense; and,*
17 (2) *activities for combating terrorism.*

18 *(b) The total amount appropriated or otherwise made*
19 *available by this Act is hereby reduced by \$814,300,000 to*
20 *reflect revised economic assumptions: Provided, That the*
21 *Secretary of Defense shall allocate this reduction propor-*
22 *tionately by program, project, and activity: Provided fur-*
23 *ther, That appropriations made available in this Act for*
24 *the pay and benefits of military personnel are exempt from*
25 *reductions under this provision.*

1 *SEC. 8117. Section 8159 of the Department of Defense*
2 *Appropriations Act, 2002 (division A of Public Law 107–*
3 *117; 115 Stat. 2284), is revised by adding the following*
4 *paragraph (g):*

5 “(g) Notwithstanding any other provision of law, any
6 payments made pursuant to Subsection (c)(3) above may
7 be made from appropriations available for operation and
8 maintenance or for lease or procurement of aircraft at the
9 time that the lease is signed.”.

10 (TRANSFER OF FUNDS)

SEC. 8118. In addition to the amounts appropriated or otherwise made available by this Act, \$300,000,000 is hereby appropriated to the Department of Defense and shall be available only for transfer to the United States Coast Guard.

16 *SEC. 8119. During the current fiscal year, section*
17 *2533a(f) of Title 10, United States Code, shall not apply*
18 *to any fish, shellfish, or seafood product. This section is ap-*
19 *plicable to contracts and subcontracts for the procurement*
20 *of commercial items notwithstanding section 34 of the Office*
21 *of Federal Procurement Policy Act (41 U.S.C. 430).*

SEC. 8120. None of the funds appropriated by this Act may be used to convert the 939th Combat Search and Rescue Wing of the Air Force Reserve until the Secretary of the Air Force certifies to the Congress the following: (a) that a functionally comparable search and rescue capability is

1 *available in the 939th Search and Rescue Wing's area of*
2 *responsibility; (b) that any new aircraft assigned to the*
3 *unit will comply with local environmental and noise stand-*
4 *ards; and (c) that the Air Force has developed a plan for*
5 *the transition of personnel and manpower billets currently*
6 *assigned to this unit.*

7 *SEC. 8121. NAVY DRY-DOCK AFDL-47 (a) REQUIRE-*
8 *MENT FOR SALE.—Notwithstanding any other provision of*
9 *law, the Secretary of the Navy shall sell the Navy Dry-dock*
10 *AFDL-47, located in Charleston, South Carolina, to*
11 *Detyens Shipyards, Inc., the current lessee of the dry-dock*
12 *from the Navy.*

13 *(b) CONSIDERATION.—As consideration for the sale of*
14 *the dry-dock under subsection (a), the Secretary shall re-*
15 *ceive an amount equal to the fair market value of the dry-*
16 *dock at the time of the sale, as determined by the Secretary,*
17 *taking into account amounts paid by, or due and owing*
18 *from, the lessee.*

19 *SEC. 8122. (a) MANAGEMENT OF CHEMICAL DEMILI-*
20 *TARIZATION ACTIVITIES AT BLUEGRASS ARMY DEPOT,*
21 *KENTUCKY.—If a technology other than the baseline incin-*
22 *eration program is selected for the destruction of lethal*
23 *chemical munitions pursuant to section 142 of the Strom*
24 *Thurmond National Defense Authorization Act for Fiscal*
25 *Year 1999 (Public Law 105-261; 50 U.S.C. 1521 note), the*

1 *program manager for the Assembled Chemical Weapons As-*
 2 *essment shall be responsible for management of the con-*
 3 *struction, operation, and closure, and any contracting re-*
 4 *lating thereto, of chemical demilitarization activities at*
 5 *Bluegrass Army Depot, Kentucky, including management*
 6 *of the pilot-scale facility phase of the alternative technology.*

7 (b) *MANAGEMENT OF CHEMICAL DEMILITARIZATION*
 8 *ACTIVITIES AT PUEBLO DEPOT, COLORADO.—The program*
 9 *manager for the Assembled Chemical Weapons Assessment*
 10 *shall be responsible for management of the construction, op-*
 11 *eration, and closure, and any contracting relating thereto,*
 12 *of chemical demilitarization activities at Pueblo Army*
 13 *Depot, Colorado, including management of the pilot-scale*
 14 *facility phase of the alternative technology selected for the*
 15 *destruction of lethal chemical munitions.*

16 *SEC. 8123. From funds made available in this Act for*
 17 *the Office of Economic Adjustment under the heading “Op-*
 18 *eration and Maintenance, Defense-Wide”, \$100,000 shall be*
 19 *available for the elimination of asbestos at former Battery*
 20 *204, Odiorne Point, New Hampshire.*

21 *SEC. 8124. Of the amount appropriated by title IV*
 22 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
 23 *EVALUATION, AIR FORCE”, up to \$5,000,000 may be avail-*
 24 *able for the Variable Flow Ducted Rocket propulsion system*
 25 *(PE 063216F).*

1 *SEC. 8125. Of the total amount appropriated by title*
2 *IV under the heading “RESEARCH, DEVELOPMENT, TEST*
3 *AND EVALUATION, NAVY”, \$7,000,000 may be used for the*
4 *Human Resource Enterprise Strategy at the Space and*
5 *Naval Warfare Information Technology Center.*

6 *SEC. 8126. Of the amounts appropriated in H.R.*
7 *4775, chapter 3, under the heading “DEFENSE EMERGENCY*
8 *RESPONSE FUND”, up to \$4,500,000 may be made available*
9 *to settle the disputed takings of property adjacent to the*
10 *Tooele Army Depot, Utah.*

11 *SEC. 8127. Of the amount appropriated by title IV*
12 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
13 *EVALUATION, DEFENSE-WIDE”, up to \$3,000,000 may be*
14 *available for execution of the ferrite diminishing manufac-*
15 *turing program by the Defense Micro-Electronics Activity.*

16 *SEC. 8128. Of the amount appropriated by title IV*
17 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
18 *EVALUATION, ARMY”, up to \$5,000,000 may be available*
19 *for the Medical Vanguard Project to expand the clinical*
20 *trial of the Internet-based diabetes managements system*
21 *under that project.*

22 *SEC. 8129. (a) AMOUNT AVAILABLE FOR LIVE FIRE*
23 *RANGE UPGRADES.—Of the amount appropriated by title*
24 *II under the heading “OPERATION AND MAINTENANCE,*

1 *ARMY*”, up to \$3,700,000 may be available for Live Fire
2 Range Upgrades.

3 (b) *SUPPLEMENT NOT SUPPLANT.*—The amount avail-
4 able under subsection (a) for the purpose specified in that
5 subsection is in addition to any other amounts available
6 under this Act for that purpose.

7 *SEC. 8130. Of the amount appropriated by title IV*
8 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
9 *EVALUATION, ARMY”, up to \$5,000,000 may be used for ma-*
10 *terials joining for Army weapon systems.*

11 *SEC. 8131. Of the amount appropriated by III under*
12 *the heading “OTHER PROCUREMENT, ARMY”, up to*
13 *\$500,000 may be available for PRC–117F SATCOM back-*
14 *pack radios.*

15 *SEC. 8132. Of the total amount appropriated by this*
16 *Act for Operation and Maintenance, Army, up to*
17 *\$5,000,000 may be used for Expandable Light Air Mobility*
18 *Shelters (ELAMS).*

19 *SEC. 8133. Of the amounts appropriated by title IV*
20 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
21 *EVALUATION, NAVY”, up to \$10,000,000 may be made*
22 *available for extended range anti-air warfare.*

23 *SEC. 8134. Of the amount appropriated by title II*
24 *under the heading “OPERATION AND MAINTENANCE, ARMY*

1 *RESERVE*”, up to \$3,000,000 may be available for Land
 2 *Forces Readiness for Information Operations Sustainment*.

3 *SEC. 8135. Of the amount appropriated by title IV*
 4 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
 5 *EVALUATION, AIR FORCE*”, up to \$1,000,000 may be avail-
 6 *able for Space and Missile Operations for the Civil Reserve*
 7 *Space Service (CRSS) initiative*.

8 *SEC. 8136. Of the amount appropriated by title IV*
 9 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
 10 *EVALUATION, AIR FORCE*”, \$2,000,000 may be used for the
 11 *Viable Combat Avionics Initiative of the Air Force*.

12 *SEC. 8137. Of the amount appropriated by title IV*
 13 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
 14 *EVALUATION, AIR FORCE” and available for Major T&E*
 15 *Investment, up to \$2,500,000 may be available for the*
 16 *Maglev upgrade program*.

17 *SEC. 8138. Of the funds appropriated under the head-*
 18 *ing “RESEARCH, DEVELOPMENT, TEST AND EVALUATION,*
 19 *DEFENSE-WIDE*”, \$10,000,000 may be made available for
 20 *the Chameleon Miniaturized Wireless System*.

21 *SEC. 8139. (a) AVAILABILITY OF AMOUNT FOR INDUS-*
 22 *TRIAL SHORT PULSE LASER DEVELOPMENT.—Of the*
 23 *amount appropriated by title IV under the heading “RE-*
 24 *SEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY*”,
 25 *up to \$7,000,000 may be available for continuing design*

1 *and fabrication of the industrial short pulse laser develop-*
2 *ment—femtosecond laser.*

3 *(b) SUPPLEMENT NOT SUPPLANT.—The amount avail-*
4 *able under subsection (a) for the purpose specified in that*
5 *subsection is in addition to any other amounts available*
6 *under this Act for that purpose.*

7 *SEC. 8140. (a) Of the amount appropriated by title*
8 *IV under the heading “RESEARCH, DEVELOPMENT, TEST*
9 *AND EVALUATION, NAVY”, up to \$4,000,000 may be avail-*
10 *able for Marine Corps program wide support for chemical*
11 *and biological consequence management for continuing bio-*
12 *logical and chemical decontamination technology research*
13 *for the United States Marine Corps Systems Command on*
14 *a biological decontamination technology that uses electro-*
15 *chemically activated solution (ECASOL).*

16 *(b) The amount available under subsection (a) for the*
17 *program element and purpose set forth in that subsection*
18 *is in addition to any other amounts available under this*
19 *Act for that program element and purpose.*

20 *SEC. 8141. (a) PRELIMINARY STUDY AND ANALYSIS*
21 *REQUIRED.—The Secretary of the Army shall carry out a*
22 *preliminary engineering study and environmental analysis*
23 *regarding the establishment of a connector road between*
24 *United States Route 1 and Telegraph Road in the vicinity*
25 *of Fort Belvoir, Virginia.*

1 (b) *FUNDING.*—Of the amount appropriated by title
 2 *II* under the heading “*OPERATION AND MAINTENANCE,*
 3 *ARMY*”, up to \$5,000,000 may be available for the prelimi-
 4 nary study and analysis required by subsection (a).

5 *SEC. 8142.* Of the amount appropriated by title *IV*
 6 under the heading “*RESEARCH, DEVELOPMENT, TEST AND*
 7 *EVALUATION, ARMY*”, up to \$5,000,000 may be available
 8 for research on miniature and micro fuel cell systems.

9 *SEC. 8143.* Of the funds appropriated in this Act
 10 under the heading “*RESEARCH, DEVELOPMENT, TEST AND*
 11 *EVALUATION, DEFENSE-WIDE*”, up to \$3,000,000 may be
 12 made available for the Supercritical Water Systems Explo-
 13 sives Demilitarization Technology.

14 *SEC. 8144. AGROTERRORIST ATTACK RESPONSE.* (a)
 15 *AVAILABILITY.*—(1) Of the amount appropriated under title
 16 *IV* for Research, Development, Test and Evaluation, De-
 17 fense-Wide, the amount available for basic research, line 8,
 18 the Chemical and Biological Defense Program (PE
 19 0601384BP) is hereby increased by \$1,000,000, with the
 20 amount of such increase to be available for research, anal-
 21 ysis, and assessment of Federal, State, and local efforts to
 22 counter potential agroterrorist attacks.

23 (2) The amount available under paragraph (1) for re-
 24 search, analysis, and assessment described in that para-

1 *graph is in addition to any other amounts available in this*
2 *Act for such research, analysis, and assessment.*

3 *(b) OFFSET.—Of the amount appropriated under title*
4 *IV for Research, Development, Test and Evaluation, De-*
5 *fense-Wide, the amount available for Agroterror prediction*
6 *and risk assessment, line 37, Chemical and Biological De-*
7 *fense Program (PE 0603384BP), is hereby reduced by*
8 *\$1,000,000.*

9 *SEC. 8145. Effective upon the enactment of the Act en-*
10 *titled “An Act making supplemental appropriations for fur-*
11 *ther recovery from and response to terrorist attacks on the*
12 *United States for the fiscal year ending September 30, 2002,*
13 *and for other purposes”, section 309 of such Act is amended*
14 *by striking “of” after the word “instead”.*

15 *SEC. 8146. The Secretary of Defense may modify the*
16 *grant made to the State of Maine pursuant to section 310*
17 *of the 2002 Supplemental Appropriations Act for Further*
18 *Recovery From and Response To Terrorist Attacks on the*
19 *United States (Public Law 107—____) such that the modi-*
20 *fied grant is for purposes of supporting community adjust-*
21 *ment activities relating to the closure of the Naval Security*
22 *Group Activity, Winter Harbor, Maine (the naval base on*
23 *Schoodic Point, within Acadia National Park), and the*
24 *reuse of such Activity, including reuse as a research and*
25 *education center the activities of which may be consistent*

1 *with the purposes of Acadia National Park, as determined*
2 *by the Secretary of the Interior. The grant may be so modi-*
3 *fied not later than 60 days after the date of the enactment*
4 *of this Act*

5 *SEC. 8147. Of the amount appropriated by title IV*
6 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
7 *EVALUATION, NAVY”, up to \$8,000,000 may be available for*
8 *the Integrated Biological Warfare Technology Platform.*

9 *SEC. 8148. Of the amount appropriated by title IV*
10 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
11 *EVALUATION, ARMY”, up to \$5,000,000 may be available*
12 *for the Rotary, Multi-Fuel, Auxiliary Power Unit.*

13 *SEC. 8149. CORPORATE EXPATRIATES. (a) LIMITA-*
14 *TION.—None of the funds made available in this Act may*
15 *be obligated for payment on any new contract to a sub-*
16 *sidiary of a publicly traded corporation if the corporation*
17 *incorporated after December 31, 2001 in a tax haven coun-*
18 *try but the United States is the principal market for the*
19 *public trading of the corporation’s stock.*

20 *(b) DEFINITION.—For purposes of subsection (a), the*
21 *term “tax haven country” means each of the following: Bar-*
22 *bados, Bermuda, British Virgin Islands, Cayman Islands,*
23 *Commonwealth of the Bahamas, Cyprus, Gibraltar, Isle of*
24 *Man, the Principality of Liechtenstein, the Principality of*
25 *Monaco, the Republic of the Seychelles, and any other coun-*

1 *try that the Secretary of the Treasury determines is used*
2 *as a site of incorporation primarily for the purpose of*
3 *avoiding United States taxation.*

4 *(c) WAIVER.—The President may waive subsection (a)*
5 *with respect to any specific contract if the President cer-*
6 *tifies to the Appropriations Committees of the House of*
7 *Representatives and the Senate that the waiver is required*
8 *in the interest of national security.*

9 *SEC. 8150. Of the total amount appropriated by title*
10 *II under the heading “OPERATION AND MAINTENANCE,*
11 *NAVY”, for Servicewide Communications, \$6,000,000 may*
12 *be used for the Critical Infrastructure Protection Program.*

13 *SEC. 8151. Of the amount appropriated by title II*
14 *under the heading “OPERATION AND MAINTENANCE, AIR*
15 *FORCE”, up to \$500,000 may be available for a contribu-*
16 *tion to the Griffiss Local Development Corporation (GLDC)*
17 *for the renovation of Hangar Building 101 at former Grif-*
18 *fiss Air Force Base, New York, in order to facilitate the*
19 *reuse of the building for economic development purposes.*
20 *Such renovation may include a new roof, building systems,*
21 *fixtures, and lease-hold improvements of the building.*

22 *SEC. 8152. Of the amount appropriated by title IV*
23 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
24 *EVALUATION, DEFENSE-WIDE”, up to \$5,000,000 may be*
25 *available for the Maintainers Remote Logistics Network.*

1 *SEC. 8153. Of the amount appropriated by title IV*
2 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
3 *EVALUATION, NAVY”, up to \$5,000,000 may be available for*
4 *the Integrated Chemical Biological Warfare Agent Detector*
5 *Chip.*

6 *SEC. 8154. Of the funds provided under the heading*
7 *“RESEARCH AND DEVELOPMENT, AIR FORCE”, up to*
8 *\$1,000,000 may be made available for research on*
9 *nanoenergetic materials.*

10 *SEC. 8155. Of the amount appropriated by title II*
11 *under the heading “OPERATION AND MAINTENANCE, ARMY*
12 *NATIONAL GUARD”, up to \$2,000,000 may be available for*
13 *the Communicator emergency notification system.*

14 *SEC. 8156. The Secretary of Defense may, using*
15 *amounts appropriated or otherwise made available by this*
16 *Act, make a grant to the National D–Day Museum in the*
17 *amount of \$5,000,000.*

18 *SEC. 8157. Of the amount appropriated by title IV*
19 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
20 *EVALUATION, NAVY”, up to \$6,000,000 may be available for*
21 *the Center for Advanced Power Systems.*

22 *SEC. 8158. Out of the Operation and Maintenance, De-*
23 *fense-Wide, funds appropriated, up to \$1,000,000 may be*
24 *available to continue the Department of Defense’s internal*

1 *security-container lock retrofit program for purchasing ad-*
2 *ditional security locks.*

3 *SEC. 8159. Of the amount appropriated by title V*
4 *under the heading “NATIONAL DEFENSE SEALIFT FUND”,*
5 *up to \$10,000,000 may be available for implementing the*
6 *recommendations resulting from the Navy’s Non-Self*
7 *Deployable Watercraft (NDSW) Study and the Joint Chiefs*
8 *of Staff Focused Logistics Study, which are to determine*
9 *the requirements of the Navy for providing lift support for*
10 *mine warfare ships and other vessels.*

11 *SEC. 8160. Of the amount appropriated by title II*
12 *under the heading “OPERATION AND MAINTENANCE, AIR*
13 *NATIONAL GUARD”, up to \$350,000 may be available for*
14 *medical equipment.*

15 *SEC. 8161. Of the amount appropriated by title IV*
16 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
17 *EVALUATION, NAVY” and available for Ship Concept Ad-*
18 *vanced Design, up to \$8,000,000 may be available for the*
19 *Sealion Technology Demonstration program for the pur-*
20 *chase, test, and evaluation of a Sealion craft with modular*
21 *capability.*

22 *SEC. 8162. Of the funds made available in this Act*
23 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
24 *EVALUATION, DEFENSE-WIDE”, up to \$3,000,000 may be*
25 *made available to digitize, convert, index, and format cap-*

1 tured foreign documentary materials (including legacy ma-
 2 terials) into a standard, usable format, to enable the timely
 3 analysis and use of mission critical data by analytical and
 4 warfighter personnel.

5 SEC. 8163. (a) Congress finds that—

6 (1) the Medal of Honor is the highest award for
 7 valor in action against an enemy force which can be
 8 bestowed upon an individual serving in the Armed
 9 Forces of the United States;

10 (2) the Medal of Honor was established by Con-
 11 gress during the Civil War to recognize soldiers who
 12 had distinguished themselves by gallantry in action;

13 (3) the Medal of Honor was conceived by Senator
 14 James Grimes of the State of Iowa in 1861; and

15 (4) the Medal of Honor is the Nation’s highest
 16 military honor, awarded for acts of personal bravery
 17 or self-sacrifice above and beyond the call of duty.

18 (b)(1) Chapter 9 of title 36, United States Code, is
 19 amended by adding at the end the following new section:

20 **“§ 903. Designation of Medal of Honor Flag**

21 “(a) DESIGNATION.—The Secretary of Defense shall
 22 design and designate a flag as the Medal of Honor Flag.
 23 In selecting the design for the flag, the Secretary shall con-
 24 sider designs submitted by the general public.

1 “(b) *PRESENTATION.—The Medal of Honor Flag shall*
 2 *be presented as specified in sections 3755, 6257, and 8755*
 3 *of title 10 and section 505 of title 14.*”.

4 (2) *The table of sections at the beginning of such chap-*
 5 *ter is amended by adding at the end the following new item:*
 “903. Designation of Medal of Honor Flag.”.

6 (c)(1)(A) *Chapter 357 of title 10, United States Code,*
 7 *is amended by adding at the end the following new section:*

8 **“§3755. Medal of honor: presentation of Medal of**
 9 **Honor Flag**

10 *“The President shall provide for the presentation of the*
 11 *Medal of Honor Flag designated under section 903 of title*
 12 *36 to each person to whom a medal of honor is awarded*
 13 *under section 3741 of this title after the date of the enact-*
 14 *ment of this section. Presentation of the flag shall be made*
 15 *at the same time as the presentation of the medal under*
 16 *section 3741 or 3752(a) of this title.*”.

17 (B) *The table of sections at the beginning of such chap-*
 18 *ter is amended by adding at the end the following new item:*
 “3755. Medal of honor: presentation of Medal of Honor Flag.”.

19 (2)(A) *Chapter 567 of such title is amended by adding*
 20 *at the end the following new section:*

21 **“§6257. Medal of honor: presentation of Medal of**
 22 **Honor Flag**

23 *“The President shall provide for the presentation of the*
 24 *Medal of Honor Flag designated under section 903 of title*

1 36 to each person to whom a medal of honor is awarded
 2 under section 6241 of this title after the date of the enact-
 3 ment of this section. Presentation of the flag shall be made
 4 at the same time as the presentation of the medal under
 5 section 6241 or 6250 of this title.”.

6 (B) The table of sections at the beginning of such chap-
 7 ter is amended by adding at the end the following new item:
 “6257. Medal of honor: presentation of Medal of Honor Flag.”.

8 (3)(A) Chapter 857 of title 10, United States Code, is
 9 amended by adding at the end the following new section:
 10 **“§8755. Medal of honor: presentation of Medal of**
 11 **Honor Flag**

12 “The President shall provide for the presentation of the
 13 Medal of Honor Flag designated under section 903 of title
 14 36 to each person to whom a medal of honor is awarded
 15 under section 8741 of this title after the date of the enact-
 16 ment of this section. Presentation of the flag shall be made
 17 at the same time as the presentation of the medal under
 18 section 8741 or 8752(a) of this title.”.

19 (B) The table of sections at the beginning of such chap-
 20 ter is amended by adding at the end the following new item:
 “8755. Medal of honor: presentation of Medal of Honor Flag.”.

21 (4)(A) Chapter 13 of title 14, United States Code, is
 22 amended by inserting after section 504 the following new
 23 section:

1 **“§ 505. Medal of honor: presentation of Medal of**
 2 **Honor Flag**

3 *“The President shall provide for the presentation of the*
 4 *Medal of Honor Flag designated under section 903 of title*
 5 *36 to each person to whom a medal of honor is awarded*
 6 *under section 491 of this title after the date of the enactment*
 7 *of this section. Presentation of the flag shall be made at*
 8 *the same time as the presentation of the medal under section*
 9 *491 or 498 of this title.”.*

10 *(B) The table of sections at the beginning of such chap-*
 11 *ter is amended by inserting after the item relating to section*
 12 *504 the following new item:*

“505. Medal of honor: presentation of Medal of Honor Flag.”.

13 *(d) The President shall provide for the presentation of*
 14 *the Medal of Honor Flag designated under section 903 of*
 15 *title 36, United States Code, as added by subsection (b),*
 16 *to each person awarded the Medal of Honor before the date*
 17 *of enactment of this Act who is living as of that date. Such*
 18 *presentation shall be made as expeditiously as possible after*
 19 *the date of the designation of the Medal of Honor Flag by*
 20 *the Secretary of Defense under such section.*

21 *SEC. 8164. Section 1305 of the National Defense Au-*
 22 *thorization Act for Fiscal Year 2000 (Public Law 106–65;*
 23 *22 U.S.C. 5952 note) is amended—*

24 *(1) by inserting “(a) LIMITATION.—” before “No*
 25 *fiscal year”; and*

1 (2) *by adding at the end the following new sub-*
2 *section:*

3 “(b) *WAIVER.—(1) The limitation in subsection (a)*
4 *shall not apply to funds appropriated for Cooperative*
5 *Threat Reduction programs for a fiscal year if the President*
6 *submits to the Speaker of the House of Representatives and*
7 *the President pro tempore of the Senate a written certifi-*
8 *cation that the waiver of the limitation in such fiscal year*
9 *is important to the national security of the United States.*

10 “(2) *A certification under paragraph (1) for fiscal*
11 *year 2003 shall cover funds appropriated for Cooperative*
12 *Threat Reduction programs for that fiscal year and for fis-*
13 *cal years 2000, 2001, and 2002.*

14 “(3) *A certification under paragraph (1) shall include*
15 *a full and complete justification for the waiver of the limi-*
16 *tation in subsection (a) for the fiscal year covered by the*
17 *certification.”.*

18 *SEC. 8165. None of the funds appropriated by this Act*
19 *may be used for leasing of transport/VIP aircraft under any*
20 *contract entered into under any procurement procedures*
21 *other than pursuant to the Competition and Contracting*
22 *Act.*

23 *SEC. 8166. (a) Funds appropriated by title II under*
24 *the heading “OPERATION AND MAINTENANCE, DEFENSE-*
25 *WIDE” may be used by the Military Community and Fam-*

1 ily Policy Office of the Department of Defense for the oper-
 2 ation of multidisciplinary, impartial domestic violence fa-
 3 tality review teams of the Department of Defense that oper-
 4 ate on a confidential basis.

5 (b) Of the total amount appropriated by title II under
 6 the heading “OPERATION AND MAINTENANCE, DEFENSE-
 7 WIDE”, \$10,000,000 may be used for an advocate of victims
 8 of domestic violence at each military installation to provide
 9 confidential assistance to victims of domestic violence at the
 10 installation.

11 (c) In each of the years 2003 through 2007, the Sec-
 12 retary of Defense shall submit to Congress an annual report
 13 on the implementation of the recommendations included in
 14 the reports submitted to the Secretary by the Defense Task
 15 Force on Domestic Violence under section 591(e) of the Na-
 16 tional Defense Authorization Act for Fiscal Year 2000 (Pub-
 17 lic Law 106–65; 113 Stat. 639; 10 U.S.C. 1562 note).

18 SEC. 8167. (a) LIMITATION ON NUMBER OF GOVERN-
 19 MENT CHARGE CARD ACCOUNTS DURING FISCAL YEAR
 20 2003.—The total number of accounts for government pur-
 21 chase charge cards and government travel charge cards for
 22 Department of Defense personnel during fiscal year 2003
 23 may not exceed 1,500,000 accounts.

24 (b) REQUIREMENT FOR CREDITWORTHINESS FOR
 25 ISSUANCE OF GOVERNMENT CHARGE CARD.—(1) The Sec-

1 *retary of Defense shall evaluate the creditworthiness of an*
2 *individual before issuing the individual a government pur-*
3 *chase charge card or government travel charge card.*

4 *(2) An individual may not be issued a government*
5 *purchase charge card or government travel charge card if*
6 *the individual is found not credit worthy as a result of the*
7 *evaluation under paragraph (1).*

8 *(c) DISCIPLINARY ACTION FOR MISUSE OF GOVERN-*
9 *MENT CHARGE CARD.—(1) The Secretary shall establish*
10 *guidelines and procedures for disciplinary actions to be*
11 *taken against Department personnel for improper, fraudu-*
12 *lent, or abusive use of government purchase charge cards*
13 *and government travel charge cards.*

14 *(2) The guidelines and procedures under this sub-*
15 *section shall include appropriate disciplinary actions for*
16 *use of charge cards for purposes, and at establishments, that*
17 *are inconsistent with the official business of the Department*
18 *or with applicable standards of conduct.*

19 *(3) The disciplinary actions under this subsection may*
20 *include—*

21 *(A) the review of the security clearance of the in-*
22 *dividual involved; and*

23 *(B) the modification or revocation of such secu-*
24 *urity clearance in light of the review.*

1 (4) *The guidelines and procedures under this sub-*
2 *section shall apply uniformly among the Armed Forces and*
3 *among the elements of the Department.*

4 (d) *REPORT.*—*Not later than June 30, 2003, the Sec-*
5 *retary shall submit to the congressional defense committees*
6 *a report on the implementation of the requirements and*
7 *limitations in this section, including the guidelines and*
8 *procedures established under subsection (c).*

9 *SEC. 8168. Of the funds appropriated in this Act*
10 *under the heading “OPERATIONS AND MAINTENANCE, AIR*
11 *FORCE”, up to \$2,000,000 may be made available for the*
12 *Aircraft Repair Enhancement Program for the KC-135 at*
13 *the Oklahoma City Air Logistics Center.*

14 *SEC. 8169. Of the amount appropriated by title IV*
15 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
16 *EVALUATION, NAVY”, up to \$1,000,000 may be available for*
17 *Trouble Reports Information Data Warehouse.*

18 *SEC. 8170. Of the total amount appropriated by title*
19 *II under the heading “OPERATION AND MAINTENANCE,*
20 *NAVY”, for civilian manpower and personnel management,*
21 *up to \$1,500,000 may be available for the Navy Pilot*
22 *Human Resources Call Center, Cutler, Maine.*

23 *SEC. 8171. Of the amount appropriated by title IV*
24 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
25 *EVALUATION, DEFENSE-WIDE”, up to \$2,170,000 may be*

1 *available for the Nanophotonic Systems Fabrication Facil-*
2 *ity.*

3 *SEC. 8172. Of the amount appropriated by title IV*
4 *under the heading “RESEARCH, DEVELOPMENT, TEST AND*
5 *EVALUATION, DEFENSE-WIDE”, up to \$5,000,000 may be*
6 *available for small kill vehicle technology development (PE*
7 *0603175C) for midcourse phase ballistic missile defense.*

8 *SEC. 8173. Of the funds provided in this Act, under*
9 *the heading “OPERATION AND MAINTENANCE, DEFENSE-*
10 *WIDE”, the Department of Defense should spend the amount*
11 *requested for the Family Advocacy Program, with priority*
12 *in any increase of funding provided to bases that are expe-*
13 *riencing increases in domestic violence.*

14 *SEC. 8174. Of the amount appropriated by title II*
15 *under the heading “OPERATION AND MAINTENANCE, NAVY”,*
16 *up to \$2,500,000 may be available for the disposal of mate-*
17 *rials from Reach A at Earle Naval Weapons Station, New*
18 *Jersey, to an appropriate inland site designated by the Sec-*
19 *retary of the Navy.*

20 *SEC. 8175. Not later than 60 days after enactment of*
21 *this Act, the Commander in Chief of the United States Eu-*
22 *ropean Command shall submit a plan to the congressional*
23 *defense committees that provides for the refurbishment and*
24 *re-engining of the NATO AWACS aircraft fleet: Provided,*
25 *That this report reflect the significant contribution made*

1 *by the NATO AWACS fleet in response to the attacks on*
2 *the United States on September 11, 2001, and the invoca-*
3 *tion of Article V of the North Atlantic Treaty: Provided fur-*
4 *ther, That the plan shall describe any necessary memo-*
5 *randum agreement between the United States and NATO*
6 *for the refurbishment and re-engining of these aircraft.*

7 *SEC. 8176. Notwithstanding any provision of the De-*
8 *fense Base Closure and Realignment Act of 1990 (part A*
9 *of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note)*
10 *or any other provision of law, the Secretary of the Navy*
11 *may transfer administrative jurisdiction of the portion of*
12 *the former Charleston Naval Base, South Carolina, com-*
13 *prising a law enforcement training facility of the Depart-*
14 *ment of Justice, together with any improvements thereon,*
15 *to the head of the department of the Federal Government*
16 *having jurisdiction of the Border Patrol as of the date of*
17 *the transfer under this section.*

18 *SEC. 8177. Of the amount appropriated by title VI*
19 *under the heading “DEFENSE HEALTH PROGRAM”, up to*
20 *\$2,000,000 may be available to the Uniformed Services*
21 *University of the Health Sciences Center (USUHS) for*
22 *Complementary and Alternative Medicine Research for*
23 *Military Operations and Healthcare (MIL–CAM).*

24 *SEC. 8178. Of the total amount appropriated by title*
25 *II under the heading “OPERATION AND MAINTENANCE, DE-*

1 *FENSE-WIDE*”, up to \$30,000,000 may be appropriated for
 2 the competitive acquisition of commercial imagery, imagery
 3 products, and services from United States commercial
 4 sources of satellite-based remote sensing entities.

5 *SEC. 8179. (a) Of the total amount appropriated by*
 6 *title IV under the heading “RESEARCH, DEVELOPMENT,*
 7 *TEST AND EVALUATION, DEFENSE-WIDE*”, up to \$5,000,000
 8 *may be available for the development of an organic vaccine*
 9 *production capability to protect members of the Armed*
 10 *Forces against the effect of use of biological warfare agents.*

11 *TITLE IX—COMMERCIAL REUSABLE IN-SPACE*

12 *TRANSPORTATION*

13 ***SEC. 901. SHORT TITLE.***

14 *This title may be cited as the “Commercial Reusable*
 15 *In-Space Transportation Act of 2002”.*

16 ***SEC. 902. FINDINGS.***

17 *Congress makes the following findings:*

18 *(1) It is in the national interest to encourage the*
 19 *production of cost-effective, in-space transportation*
 20 *systems, which would be built and operated by the*
 21 *private sector on a commercial basis.*

22 *(2) The use of reusable in-space transportation*
 23 *systems will enhance performance levels of in-space*
 24 *operations, enhance efficient and safe disposal of sat-*
 25 *ellites at the end of their useful lives, and increase the*

1 *capability and reliability of existing ground-to-space*
2 *launch vehicles.*

3 (3) *Commercial reusable in-space transportation*
4 *systems will enhance the economic well-being and na-*
5 *tional security of the United States by reducing space*
6 *operations costs for commercial and national space*
7 *programs and by adding new space capabilities to*
8 *space operations.*

9 (4) *Commercial reusable in-space transportation*
10 *systems will provide new cost-effective space capabili-*
11 *ties (including orbital transfers from low altitude or-*
12 *bits to high altitude orbits and return, the correction*
13 *of erroneous satellite orbits, and the recovery, refur-*
14 *bishment, and refueling of satellites) and the provi-*
15 *sion of upper stage functions to increase ground-to-*
16 *orbit launch vehicle payloads to geostationary and*
17 *other high energy orbits.*

18 (5) *Commercial reusable in-space transportation*
19 *systems can enhance and enable the space exploration*
20 *of the United States by providing lower cost trajec-*
21 *tory injection from earth orbit, transit trajectory con-*
22 *trol, and planet arrival deceleration to support poten-*
23 *tial National Aeronautics and Space Administration*
24 *missions to Mars, Pluto, and other planets.*

1 (6) *Satellites stranded in erroneous earth orbit*
2 *due to deficiencies in their launch represent substan-*
3 *tial economic loss to the United States and present*
4 *substantial concerns for the current backlog of na-*
5 *tional space assets.*

6 (7) *Commercial reusable in-space transportation*
7 *systems can provide new options for alternative plan-*
8 *ning approaches and risk management to enhance the*
9 *mission assurance of national space assets.*

10 (8) *Commercial reusable in-space transportation*
11 *systems developed by the private sector can provide*
12 *in-space transportation services to the National Aero-*
13 *nautics and Space Administration, the Department of*
14 *Defense, the National Reconnaissance Office, and*
15 *other agencies without the need for the United States*
16 *to bear the cost of production of such systems.*

17 (9) *The availability of loan guarantees, with the*
18 *cost of credit risk to the United States paid by the*
19 *private-sector, is an effective means by which the*
20 *United States can help qualifying private-sector com-*
21 *panies secure otherwise unattainable private financ-*
22 *ing for the production of commercial reusable in-*
23 *space transportation systems, while at the same time*
24 *minimizing Government commitment and involve-*
25 *ment in the development of such systems.*

1 **SEC. 903. LOAN GUARANTEES FOR PRODUCTION OF COM-**
2 **MERCIAL REUSABLE IN-SPACE TRANSPOR-**
3 **TATION.**

4 (a) *AUTHORITY TO MAKE LOAN GUARANTEES.*—The
5 Secretary may guarantee loans made to eligible United
6 States commercial providers for purposes of producing com-
7 mercial reusable in-space transportation services or sys-
8 tems.

9 (b) *ELIGIBLE UNITED STATES COMMERCIAL PRO-*
10 *VIDERS.*—The Secretary shall prescribe requirements for the
11 eligibility of United States commercial providers for loan
12 guarantees under this section. Such requirements shall en-
13 sure that eligible providers are financially capable of under-
14 taking a loan guaranteed under this section.

15 (c) *LIMITATION ON LOANS GUARANTEED.*—The Sec-
16 retary may not guarantee a loan for a United States com-
17 mercial provider under this section unless the Secretary de-
18 termines that credit would not otherwise be reasonably
19 available at the time of the guarantee for the commercial
20 reusable in-space transportation service or system to be pro-
21 duced utilizing the proceeds of the loan.

22 (d) *CREDIT SUBSIDY.*—

23 (1) *COLLECTION REQUIRED.*—The Secretary
24 shall collect from each United States commercial pro-
25 vider receiving a loan guarantee under this section an
26 amount equal to the amount, as determined by the

1 *Secretary, to cover the cost, as defined in section*
 2 *502(5) of the Federal Credit Reform Act of 1990, of*
 3 *the loan guarantee.*

4 *(2) PERIODIC DISBURSEMENTS.—In the case of a*
 5 *loan guarantee in which proceeds of the loan are dis-*
 6 *bursed over time, the Secretary shall collect the*
 7 *amount required under this subsection on a pro rata*
 8 *basis, as determined by the Secretary, at the time of*
 9 *each disbursement.*

10 *(e) OTHER TERMS AND CONDITIONS.—*

11 *(1) PROHIBITION ON SUBORDINATION.—A loan*
 12 *guaranteed under this section may not be subordi-*
 13 *nated to another debt contracted by the United States*
 14 *commercial provider concerned, or to any other*
 15 *claims against such provider.*

16 *(2) RESTRICTION ON INCOME.—A loan guaran-*
 17 *teed under this section may not—*

18 *(A) provide income which is excluded from*
 19 *gross income for purposes of chapter 1 of the In-*
 20 *ternal Revenue Code of 1986; or*

21 *(B) provide significant collateral or secu-*
 22 *rity, as determined by the Secretary, for other*
 23 *obligations the income from which is so excluded.*

1 (3) *TREATMENT OF GUARANTEE.*—*The guarantee*
2 *of a loan under this section shall be conclusive evi-*
3 *dence of the following:*

4 (A) *That the guarantee has been properly*
5 *obtained.*

6 (B) *That the loan qualifies for the guar-*
7 *antee.*

8 (C) *That, but for fraud or material mis-*
9 *representation by the holder of the loan, the*
10 *guarantee is valid, legal, and enforceable.*

11 (4) *OTHER TERMS AND CONDITIONS.*—*The Sec-*
12 *retary may establish any other terms and conditions*
13 *for a guarantee of a loan under this section, as the*
14 *Secretary considers appropriate to protect the finan-*
15 *cial interests of the United States.*

16 (f) *ENFORCEMENT OF RIGHTS.*—

17 (1) *IN GENERAL.*—*The Attorney General may*
18 *take any action the Attorney General considers ap-*
19 *propriate to enforce any right accruing to the United*
20 *States under a loan guarantee under this section.*

21 (2) *FORBEARANCE.*—*The Attorney General may,*
22 *with the approval of the parties concerned, forbear*
23 *from enforcing any right of the United States under*
24 *a loan guaranteed under this section for the benefit*
25 *of a United States commercial provider if such for-*

1 *bearance will not result in any cost, as defined in sec-*
 2 *tion 502(5) of the Federal Credit Reform Act of 1990,*
 3 *to the United States.*

4 (3) *UTILIZATION OF PROPERTY.*—*Notwith-*
 5 *standing any other provision of law and subject to the*
 6 *terms of a loan guaranteed under this section, upon*
 7 *the default of a United States commercial provider*
 8 *under the loan, the Secretary may, at the election of*
 9 *the Secretary—*

10 (A) *assume control of the physical asset fi-*
 11 *nanced by the loan; and*

12 (B) *complete, recondition, reconstruct, ren-*
 13 *ovate, repair, maintain, operate, or sell the phys-*
 14 *ical asset.*

15 (g) *CREDIT INSTRUMENTS.*—

16 (1) *AUTHORITY TO ISSUE INSTRUMENTS.*—*Not-*
 17 *withstanding any other provision of law, the Sec-*
 18 *retary may, subject to such terms and conditions as*
 19 *the Secretary considers appropriate, issue credit in-*
 20 *struments to United States commercial providers of*
 21 *in-space transportation services or system, with the*
 22 *aggregate cost (as determined under the provisions of*
 23 *the Federal Credit Reform Act of 1990 (2 U.S.C. 661*
 24 *et seq.)) of such instruments not to exceed*
 25 *\$1,500,000,000, but only to the extent that new budget*

1 *authority to cover such costs is provided in subsequent*
 2 *appropriations Acts or authority is otherwise pro-*
 3 *vided in subsequent appropriations Acts.*

4 (2) *CREDIT SUBSIDY.*—*The Secretary shall pro-*
 5 *vide a credit subsidy for any credit instrument issued*
 6 *under this subsection in accordance with the provi-*
 7 *sions of the Federal Credit Reform Act of 1990.*

8 (3) *CONSTRUCTION.*—*The eligibility of a United*
 9 *States commercial provider of in-space transportation*
 10 *services or systems for a credit instrument under this*
 11 *subsection is in addition to any eligibility of such*
 12 *provider for a loan guarantee under other provisions*
 13 *of this section.*

14 **SEC. 904. DEFINITIONS.**

15 *In this title:*

16 (1) *SECRETARY.*—*The term “Secretary” means*
 17 *the Secretary of Defense.*

18 (2) *COMMERCIAL PROVIDER.*—*The term “com-*
 19 *mercial provider” means any person or entity pro-*
 20 *viding commercial reusable in-orbit space transpor-*
 21 *tation services or systems, primary control of which*
 22 *is held by persons other than the Federal Government,*
 23 *a State or local government, or a foreign government.*

24 (3) *IN-SPACE TRANSPORTATION SERVICES.*—*The*
 25 *term “in-space transportation services” means oper-*

1 *ations and activities involved in the direct transpor-*
2 *tation or attempted transportation of a payload or*
3 *object from one orbit to another by means of an in-*
4 *space transportation vehicle.*

5 (4) *IN-SPACE TRANSPORTATION SYSTEM.*—*The*
6 *term “in-space transportation system” means the*
7 *space and ground elements, including in-space trans-*
8 *portation vehicles and support space systems, and*
9 *ground administration and control facilities and as-*
10 *sociated equipment, necessary for the provision of in-*
11 *space transportation services.*

12 (5) *IN-SPACE TRANSPORTATION VEHICLE.*—*The*
13 *term “in-space transportation vehicle” means a vehi-*
14 *cle designed—*

15 (A) *to be based and operated in space;*

16 (B) *to transport various payloads or objects*
17 *from one orbit to another orbit; and*

18 (C) *to be reusable and refueled in space.*

19 (6) *UNITED STATES COMMERCIAL PROVIDER.*—
20 *The term “United States commercial provider” means*
21 *any commercial provider organized under the laws of*
22 *the United States that is more than 50 percent owned*
23 *by United States nationals.*

- 1 *This Act may be cited as the “Department of Defense*
- 2 *Appropriations Act, 2003”.*

Attest:

Secretary.

107TH CONGRESS
2D SESSION

H. R. 5010

AMENDMENT